

*Cypress Bluff
Community Development District*

January 9, 2019

AGENDA

Cypress Bluff
Community Development District
Special Meeting Agenda

Wednesday
January 9, 2019
10:00 a.m.

Duval County Southeast Regional Library
10599 Deerwood Park Boulevard
Jacksonville, Florida 32256
Call In # 1-888-850-4523 Code 322827

- I. Call to Order
- II. Public Comment
- III. Consideration of Financing Related Matters
 - A. Engineer's Report
 - B. Supplemental Assessment Report
 - C. Consideration of Delegation Award Resolution 2019-03
 - 1. Supplemental Indenture
 - 2. PLOM
 - 3. Bond Purchase Agreement
 - 4. Continuing Disclosure Agreement
- IV. Supervisor's Requests and Audience Comments
- V. Next Scheduled Meeting – January 22, 2019 at 1:30 p.m. at the Duval County Southeast Regional Library
- VI. Adjournment

THIRD ORDER OF BUSINESS

A.

**CYPRESS BLUFF
COMMUNITY DEVELOPMENT DISTRICT
SUPPLEMENTAL ENGINEER'S REPORT**

for the

SERIES 2019 CAPITAL IMPROVEMENTS

Prepared for

Board of Supervisors

Cypress Bluff Community Development District

Prepared by

England, Thims & Miller, Inc.
14775 St. Augustine Road
Jacksonville, Florida 32258
904-642-8990

13-102-26

January 2019

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BACKGROUND

The Cypress Bluff Community Development District (CDD) is a ±1,249.7-acre residential development located in Duval County Florida. The authorized land uses within the Cypress Bluff CDD may include conservation and residential development as well as open space and recreational amenities. The full development within the Cypress Bluff CDD boundary will include approximately the number of units listed in Table I.

TABLE I
CYPRESS BLUFF COMMUNITY
DEVELOPMENT DISTRICT
SUMMARY OF DEVELOPMENT

TYPE	Estimated Units	Estimated Areas
Residential Development		
<input type="checkbox"/> Single Family	1,714 units	447.5 acres
<input type="checkbox"/> Townhomes	0 units	0 acres
Road Rights-of-Way	n/a	147.1 acres
Parks and Recreation	n/a	39.7 acres
Wetland/Open Space, Miscellaneous	n/a	615.4 acres
TOTALS		1,249.7 acres

(Note: Certain area types may change provided that such changes are consistent with the land use)

The Cypress Bluff Community Development District developed an Improvement Plan dated July 30, 2018 (Capital Improvement Plan or “CIP”) to allow it to finance and construct certain facilities within and without the CDD boundaries. The Improvement Plan is estimated to cost approximately \$76.1 million consisting of \$17.7 million for master infrastructure improvements (Master CIP) and \$58.4 million for neighborhood infrastructure improvements (Neighborhood CIP). In order to serve the residents of the Cypress Bluff CDD, the CDD plans to design, permit, finance, and/or construct, operate and maintain all or part of certain utility, transportation, landscaping, and recreational facilities within and without the CDD. The CIP has been planned, designed, and permitted to function as one interrelated system of improvements benefiting the lands to be developed within the district.

Proceeds of the 2019 Bonds will be utilized to construct and/or acquire a portion of the Master CIP. That portion of the Master CIP funded with the proceeds of the 2019 Bonds is referred to as the “2019 Project”. The remainder of the Master CIP not funded with proceeds of the 2019 Bonds will be funded by a future series of Bonds or by E-Town Development (the “Master Developer”). The summary of the Master CIP costs are listed in Table II. A description and basis of costs for each improvement category is included in the body of this report.

TABLE II

**CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT
MASTER INFRASTRUCTURE COSTS**

Improvement Category Description	Estimated Total CDD Cost
E-Town Pkwy/R.G. Skinner Pkwy Ancillary Roadway Infrastructure, Utilities, Landscape, Hardscape, and Electric	\$10,008,034
Master Recreational Improvements	\$7,728,000
Total Master Infrastructure Costs	\$17,736,034

Cost estimates contained in this report are based upon year 2018 dollars and have been prepared based on the best available information and in some cases without the benefit of final engineering design or environmental permitting. England, Thims & Miller, Inc. believes the enclosed estimates to be accurate based upon the available information, however, actual costs will vary based on planning, final engineering and approvals from regulatory agencies.

MASTER INFRASTRUCTURE IMPROVEMENTS

The majority of the Permits for the Master CIP have been obtained. The delineation of jurisdictional wetlands for all land within the Cypress Bluff CDD has been surveyed, reviewed and approved by the St. Johns River Water Management District (SJRWMD). The SJRWMD has approved an Environmental Resource Permit #126414 to establish the jurisdictional wetlands, impacts, and overall mitigation plan. The U.S. Army Corps of Engineers (USACOE) has issued permit #SAJ-2012-00511. The City of Jacksonville has issued permits for E-Town Parkway/R.G. Skinner Parkway under CDN 8902.000 and CDN 8902.001. The Florida Department of Environmental Protection (FDEP) has issued permits for the water and sewer mains under permit numbers 0159044.644-DSGP and 0011224-771-DWC respectively.

Ongoing design and permitting is occurring for the minor design modifications, hardscape, and recreational improvements in the Master CIP. There is a reasonable expectation that the permits for the balance of the CDD improvements are obtainable, however, all permits are subject to final engineering and permitting.

E-TOWN PKWY/R.G. SKINNER PKWY IMPROVEMENTS

The Cypress Bluff CDD presently intends to finance and construct certain transportation facilities within and without the boundaries of the District, consistent with Chapter 190, Florida Statutes. E-Town Parkway/R.G. Skinner Parkway is a collector road that will be extending north-south direction through the Cypress Bluff Community Development District boundary. E-Town Parkway will extend from the existing interchange at SR-9B to the existing R.G. Skinner Parkway terminus at Atlantic Coast High School, with the road name changing from E-Town Parkway to R.G. Skinner Parkway at the intersection just southerly of the existing R.G. Skinner Parkway terminus. There may also be a multi-use path along E-Town Parkway/R.G. Skinner Parkway. Roadway construction began early 2018 and is being completed in two phases. Phase 1 consists of E-Town Parkway from SR-9B to the first intersection just north of the southern Roundabout and Phase 2 is the remaining segment of E-Town Parkway/R.G. Skinner Parkway to the existing R.G. Skinner Parkway terminus at Atlantic Coast High School B. Phase 1 is anticipated to be complete in the first quarter of 2019 and Phase 2 is anticipated to be complete in the second quarter of 2019. The majority of roadway Right-of-Way, survey, engineering, permitting, and construction costs of E-Town/R.G. Skinner Parkway will not be funded by the CDD. However, certain infrastructure within and adjacent to the E-Town Parkway/R.G. Skinner Parkway right of way may be funded, designed and constructed by the CDD. These improvements may include ancillary roadway infrastructure, utilities, landscape and irrigation, hardscape and signage, electric and lighting, and future signalized intersections. Once completed, E-Town Parkway/R.G. Skinner Parkway will be owned and maintained by the City of Jacksonville.

Ancillary Roadway Infrastructure

The roadway right-of-way, survey, engineering, permitting, and construction costs for the primary thoroughfare of E-Town/R.G. Skinner Parkway will be/have been paid for by the Master Developer and will not be funded or reimbursed by the CDD. However, the CDD may fund ancillary roadway infrastructure and modifications to the original road design. This roadway infrastructure may include; turn lanes, road extensions, road widening, and roadway modifications from the original design.

Utilities

The entirety of the Cypress Bluff CDD will be provided with potable water, sanitary sewer, and reuse water services by the Jacksonville Electric Authority (JEA) utility system.

The Cypress Bluff CDD presently intends to fund and construct certain master utility facilities within and adjacent to the District boundary. These facilities include the transmission (trunk) water main and sewer main (forcemain). These mains are located within the right of way of E-Town Parkway/R.G. Skinner Parkway. There may also be gravity sewer crossings installed under E-Town Parkway/R.G. Skinner Parkway to serve future neighborhoods that will share pump stations. The reuse transmission (trunk) main will also run along R.G. Skinner Parkway, however, will not be funded by the Cypress Bluff CDD. These improvements are depicted on Exhibit 5, pages 1-3.

To serve the development per the JEA utility service agreement, the construction of a booster pump station is required. The CDD may fund, design, and construct all or part of this booster pump station. The master utility improvements will be designed and constructed in accordance with JEA standards and will be owned and maintained by JEA upon dedication.

Landscape and Irrigation

The CDD may fund and construct the landscape, sod, planting, berm, irrigation and other decorative features along E-Town Parkway/R.G. Skinner Parkway. The irrigation system may include JEA reuse refill stations that will discharge into stormwater ponds adjacent to E-Town Parkway/R.G. Skinner Parkway and irrigation pump station that will pump from those ponds. The CDD may fund and construct landscape and irrigation costs along the entire length of E-Town Parkway/R.G. Skinner Parkway, including those areas outside of the CDD boundary.

Hardscape and Signage

The CDD may fund and construct hardscape features within and adjacent to the E-Town Parkway/R.G. Skinner Parkway right of way. Features may include, but are not limited to, signage and entry features, masonry walls, fencing, etc.

Electric and Lighting

The electric distribution system thru the Cypress Bluff CDD is currently planned to be underground. The CDD presently intends to fund and construct the electric conduit, transformer/cabinet pads, and electric manholes required by JEA electric. Electric facilities will be owned and maintained by JEA after dedication.

The CDD presently intends to fund the cost to purchase and install the roadway lighting along E-Town Parkway/R.G. Skinner Parkway. These lights will be owned, operated and maintained by the City of Jacksonville after dedication.

The total E-Town Pkwy/R.G. Skinner Pkwy Ancillary Roadway Infrastructure, Utilities, Landscape, Hardscape, and Electric Improvements costs is **\$10,008,034.**

MASTER RECREATIONAL IMPROVEMENTS

MASTER AMENITY CENTER

The Cypress Bluff CDD may finance and construct a master amenity center located near the middle of the Cypress Bluff CDD boundary. This amenity center is planned to be the largest within the Cypress Bluff CDD and may serve all the neighborhoods within the CDD. The basic components of this facility may include, but is not limited to:

- ▶ Clubhouse
- ▶ Fitness equipment
- ▶ Tennis Courts
- ▶ Bathrooms and locker area
- ▶ Pool(s)
- ▶ Playground equipment
- ▶ Barbeque grills and picnic tables
- ▶ Parking
- ▶ Landscape, irrigation, hardscape and lighting
- ▶ Dog park
- ▶ Tennis courts
- ▶ Trails
- ▶ Ball fields
- ▶ Soccer fields

The total Master Recreational Improvements costs is **\$7,728,000**.

BASIS OF COST ESTIMATES

The following is the basis for the master infrastructure cost estimates; actual project bid information was used where available:

- Costs utilized were obtained from recent historical bids for similar work in this area and are not based on approved plans.
- Signalization may be required as development occurs. Design and construction costs for one signalized intersection have been included.
- Costs for underground electric conduit along R.G. Skinner Parkway have been included.
- Costs for roadway lighting have been included.
- Professional fees are included in the estimate.
- For the purposes of this report, a 15% contingency factor has been included for master infrastructure.
- Cost estimates included in this report are based upon year 2018 dollars and have been prepared based upon the best available information. England, Thims & Miller, Inc. believes the enclosed estimates to be accurate based upon best available information, however, actual costs will vary based upon final engineering, planning and approvals from regulatory authorities.

APPENDIX

Description

Exhibits

- 1 General Location Map
- 2 Legal Description
- 3 Intentionally Excluded
- 4 Existing Future Land Use
- 5 Utility Exhibits
 - a. Master Water Plan
 - b. Master Waste Water Plan
 - c. Master Reuse Water Plan
- 6 District Facilities and Services
- 7 Cost Estimate Sheet

Cypress Bluff Community Development District

EXHIBIT 1

GENERAL LOCATION

NOVEMBER 2, 2017

LEGEND

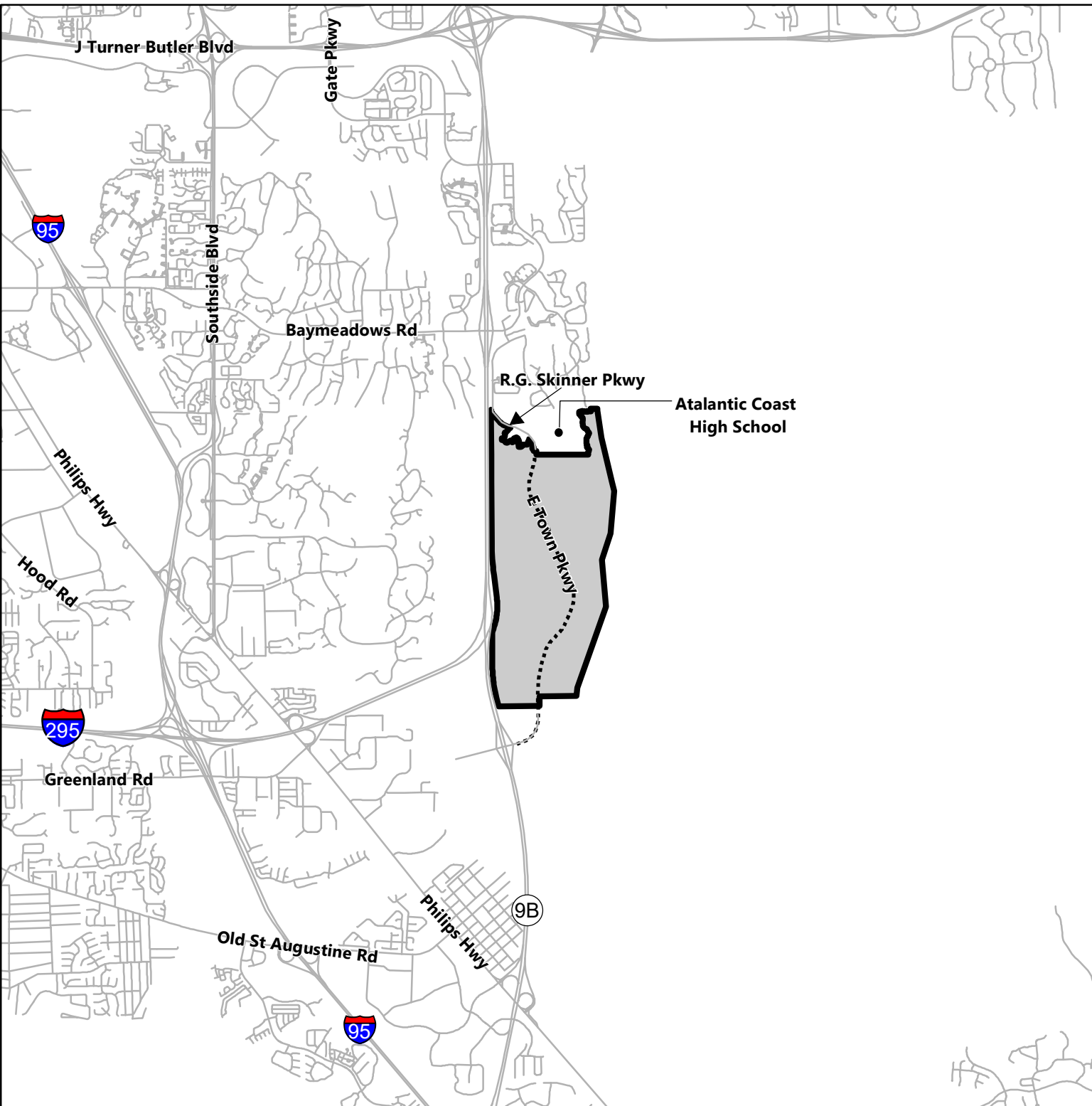


Cypress Bluff CDD



0 3,000 6,000 12,000
FEET

Source: ETM, Duval County





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W.O. No.17-160.01

File No. 124B-22.01A

Cypress Bluff CDD Parcel

A portion of Sections 32 and 33, Township 3 South, Range 28 East, together with a portion of Sections 4, 5, 8 and 9, Township 4 South, Range 28 East, Duval County, Florida, being more particularly described as follows:

For a Point of Reference, commence at the Northwest corner of said Section 33; thence North $88^{\circ}37'28''$ East, along the Northerly line of said Section 33, a distance of 1343.30 feet to the Point of Beginning.

From said Point of Beginning, thence continue North $88^{\circ}37'28''$ East, along said Northerly line of said Section 33, a distance of 289.49 feet; thence South $07^{\circ}44'34''$ East, departing said Northerly line, 1305.77 feet; thence South $13^{\circ}31'53''$ East, 2389.14 feet; thence South $04^{\circ}33'08''$ West, 1865.63 feet; thence South $18^{\circ}03'25''$ West, 1232.39 feet; thence South $05^{\circ}12'52''$ East, 2061.31 feet; thence South $19^{\circ}40'49''$ West, 3784.88 feet; thence South $04^{\circ}56'56''$ West, 366.20 feet; thence South $89^{\circ}37'47''$ West, 1624.99 feet; thence South $00^{\circ}22'13''$ East, 418.10 feet; thence South $88^{\circ}55'30''$ West, 1799.90 feet to a point lying on the Easterly limited access right of way line of State Road No. 9B, a 400 foot limited access right of way per Florida Department of Transportation right of way map Section 72002-2513, Financial Project No. 209294-1; thence Northerly along said Easterly limited access right of way line the following 3 courses: Course 1, thence North $14^{\circ}27'30''$ West, 403.98 feet to the point of curvature of a curve concave Easterly having a radius of 5529.58 feet; Course 2, thence Northerly along the arc of said curve, through a central angle of $14^{\circ}09'36''$, an arc length of 1366.57 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North $07^{\circ}22'42''$ West, 1363.10 feet; Course 3, thence North $00^{\circ}17'54''$ West, 1535.00 feet to a point of intersection with the Easterly limited access right of way line of State Road No. 9A, a variable width limited access right of way per Florida Department of Transportation right of way map Section 72002-2511, Work Program Identification No. 2114883, said point also being on a non-tangent curve concave Westerly having a radius of 3000.00 feet; thence Northerly along said Easterly limited access right of way line the following 4 courses: Course 1, thence Northerly, departing said Easterly limited access right of way line of State Road No. 9B and along the arc of said curve, through a central angle of $29^{\circ}31'23''$, an arc length of 1545.82 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North $07^{\circ}27'47''$ East, 1528.78 feet; Course 2, thence North $07^{\circ}17'54''$ West, 984.62 feet to the point of curvature of a curve concave Easterly having a

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Cypress Bluff CDD Parcel (continued)

radius of 11600.00 feet; Course 3, thence Northerly along the arc of said curve, through a central angle of $07^{\circ}00'00''$, an arc length of 1417.21 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North $03^{\circ}47'54''$ West, 1416.33 feet; Course 4, thence North $00^{\circ}17'54''$ West, 5839.87 feet to its intersection with the Southwesterly right of way line of R.G. Skinner Parkway, a 110 foot right of way as presently established; thence Southeasterly along said Southwesterly right of way line the following 3 courses: Course 1, thence Southerly departing said Easterly limited access right of way line and along the arc of a curve concave Easterly having a radius of 300.00 feet, through a central angle of $43^{\circ}17'06''$, an arc length of 226.64 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of South $21^{\circ}56'27''$ East, 221.29 feet; Course 2, thence South $43^{\circ}35'00''$ East, 446.83 feet to the point of curvature of a curve concave Northeasterly having a radius of 600.00 feet; Course 3, thence Southeasterly along the arc of said curve, through a central angle of $25^{\circ}15'01''$, an arc length of 264.42 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of South $56^{\circ}12'31''$ East, 262.29 feet; thence South $68^{\circ}50'01''$ East, continuing along said Southwesterly right of way line, 263.07 feet to a point lying on the boundary line of those lands described and recorded in Official Records Book 14340, page 1809, of the current Public Records of said county; thence Southerly along said boundary line the following 62 courses: Course 1, thence South $56^{\circ}47'19''$ West, departing said Southwesterly right of way line, 34.93 feet; Course 2, thence South $59^{\circ}53'26''$ West, 60.77 feet; Course 3, thence South $28^{\circ}07'37''$ West, 63.38 feet; Course 4, thence South $36^{\circ}12'31''$ West, 52.77 feet; Course 5, thence South $44^{\circ}25'16''$ West, 53.99 feet; Course 6, thence South $60^{\circ}24'13''$ West, 59.40 feet; Course 7, thence South $37^{\circ}46'20''$ West, 47.85 feet; Course 8, thence South $12^{\circ}02'36''$ East, 52.58 feet; Course 9, thence South $13^{\circ}05'33''$ East, 42.42 feet; Course 10, thence South $16^{\circ}44'01''$ West, 33.11 feet; Course 11, thence South $18^{\circ}07'14''$ West, 49.93 feet; Course 12, thence South $23^{\circ}19'42''$ West, 58.13 feet; Course 13, thence North $84^{\circ}25'00''$ West, 84.95 feet; Course 14, thence South $00^{\circ}24'25''$ East, 68.26 feet; Course 15, thence South $81^{\circ}52'44''$ East, 73.42 feet; Course 16, thence South $35^{\circ}00'24''$ East, 50.94 feet; Course 17, thence South $42^{\circ}29'27''$ East, 63.28 feet; Course 18, thence South $72^{\circ}15'25''$ East, 65.91 feet; Course 19, thence North $73^{\circ}27'14''$ East, 68.75 feet; Course 20, thence North $51^{\circ}47'07''$ East, 59.88 feet; Course 21, thence North $65^{\circ}14'07''$ East, 63.44 feet; Course 22, thence South $44^{\circ}57'44''$ East, 51.37 feet; Course 23, thence South $41^{\circ}27'00''$ East, 50.99 feet; Course 24, thence North $68^{\circ}09'16''$ East, 90.76 feet; Course 25, thence North $00^{\circ}26'34''$ West, 52.95 feet; Course 26, thence North $39^{\circ}25'04''$ West, 59.68 feet; Course 27, thence North $46^{\circ}31'57''$ East, 62.01 feet; Course 28, thence North $50^{\circ}00'38''$ East, 57.16 feet; Course 29, thence North $88^{\circ}38'44''$ East, 49.62 feet; Course 30, thence South $67^{\circ}21'23''$ East, 54.16 feet; Course 31, thence South $14^{\circ}50'50''$ East, 56.43 feet; Course 32, thence South $48^{\circ}06'29''$ East, 55.42 feet; Course 33, thence South $04^{\circ}06'11''$ East, 57.55 feet; Course 34, thence South $38^{\circ}52'42''$ West, 48.46 feet; Course 35, thence South $08^{\circ}09'16''$ West, 60.88 feet; Course 36, thence South $29^{\circ}03'41''$ East, 51.97 feet; Course 37, thence South $07^{\circ}41'54''$ East, 90.90 feet; Course 38, thence South $75^{\circ}57'31''$ East, 33.30 feet; Course 39, thence South $80^{\circ}17'39''$ East,

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File No. 124B-22.01A

Cypress Bluff CDD Parcel (continued)

50.60 feet; Course 40, thence North 57°17'36" East, 58.75 feet; Course 41, thence North 17°44'41" East, 38.19 feet; Course 42, thence North 41°44'07" East, 55.91 feet; Course 43, thence South 78°01'28" East, 36.71 feet; Course 44, thence North 76°54'19" East, 50.12 feet; Course 45, thence South 78°17'09" East, 69.51 feet; Course 46, thence North 85°04'13" East, 33.16 feet; Course 47, thence North 35°50'17" East, 30.71 feet; Course 48, thence North 05°06'56" East, 69.39 feet; Course 49, thence North 25°14'24" East, 59.38 feet; Course 50, thence North 36°08'27" East, 68.81 feet; Course 51, thence North 42°18'11" West, 56.04 feet; Course 52, thence North 01°48'23" East, 43.34 feet; Course 53, thence South 71°57'16" East, 51.30 feet; Course 54, thence South 45°25'16" East, 54.76 feet; Course 55, thence South 19°52'56" West, 39.91 feet; Course 56, thence South 14°36'39" East, 42.26 feet; Course 57, thence South 40°20'23" East, 57.10 feet; Course 58, thence South 59°04'18" East, 52.23 feet; Course 59, thence South 13°07'44" East, 44.38 feet; Course 60, thence South 24°46'40" East, 56.39 feet; Course 61, thence South 26°06'15" East, 32.51 feet; Course 62, thence South 02°12'11" West, 41.80 feet; thence South 45°09'13" East, departing said boundary line, 35.48 feet to the Northeast corner of those lands described and recorded in Official Records Book 14863, page 469, of said current Public Records; thence North 89°59'26" West, along the Northerly line of said Official Records Book 14863, page 469, a distance of 70.00 feet to the Northwest corner thereof; thence South 00°00'34" West, along the Westerly line of last said lands, 65.00 feet to the Southwest corner thereof; thence South 89°59'26" East, along the Southerly line of said lands, 70.00 feet to the Southeast corner thereof, said corner lying on said Southwesterly right of way line of R.G. Skinner Parkway; thence South 00°00'34" West, along said Southwesterly right of way line, 107.34 feet to a point lying on the Southerly terminus of said R.G. Skinner Parkway; thence South 89°59'26" East, departing said Southwesterly right of way line and along said Southerly terminus, 110.00 feet to a point lying on the Southerly line of said Official Records Book 14340, page 1809; thence Easterly and Northerly along the Southerly and Easterly lines of last said lands the following 62 courses: Course 1, thence South 00°00'34" West, departing said Southerly terminus, 145.55 feet; Course 2, thence South 89°59'26" East, 2280.15 feet; Course 3, thence North 07°41'27" West, 12.17 feet; Course 4, thence North 20°26'25" West, 28.98 feet; Course 5, thence North 06°37'03" East, 35.94 feet; Course 6, thence North 26°09'20" East, 47.24 feet; Course 7, thence North 10°50'26" East, 18.12 feet; Course 8, thence North 19°27'45" East, 19.37 feet; Course 9, thence North 10°56'37" East, 57.23 feet; Course 10, thence North 31°50'19" West, 53.99 feet; Course 11, thence North 25°51'04" West, 36.99 feet; Course 12, thence North 29°13'43" West, 21.65 feet; Course 13, thence North 71°51'12" West, 34.33 feet; Course 14, thence North 04°17'54" East, 38.72 feet; Course 15, thence North 00°16'03" East, 31.09 feet; Course 16, thence North 16°06'04" East, 32.18 feet; Course 17, thence North 20°33'04" West, 21.97 feet; Course 18, thence North 56°02'19" West, 40.42 feet; Course 19, thence North 02°24'10" West, 36.61 feet; Course 20, thence North 02°52'24" East, 35.41 feet; Course 21, thence North 00°06'57" East, 45.28 feet; Course 22, thence North 08°57'28" East, 54.79 feet; Course 23, thence North 06°50'55" West, 38.58 feet; Course 24, thence North 14°46'17" East, 32.02 feet; Course 25,

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Cypress Bluff CDD Parcel (continued)

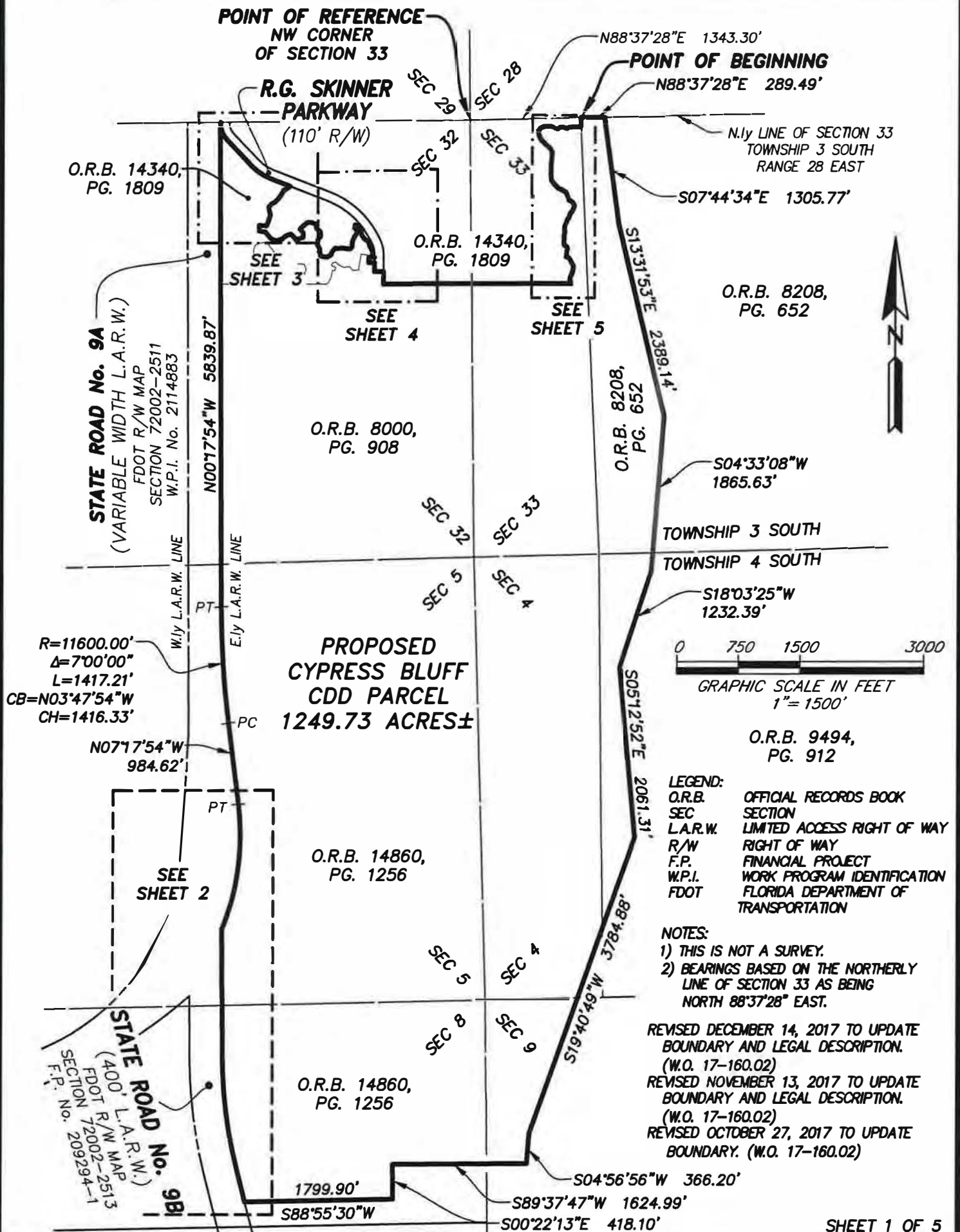
thence North 24°38'30" East, 38.36 feet; Course 26, thence North 21°16'45" East, 42.29 feet; Course 27, thence North 46°41'48" East, 24.93 feet; Course 28, thence North 09°37'57" East, 38.41 feet; Course 29, thence North 40°13'50" East, 35.75 feet; Course 30, thence North 25°36'12" East, 31.37 feet; Course 31, thence North 21°18'20" East, 52.69 feet; Course 32, thence North 30°51'04" West, 51.14 feet; Course 33, thence North 62°04'55" West, 46.62 feet; Course 34, thence North 18°00'39" West, 57.14 feet; Course 35, thence North 25°51'03" West, 51.16 feet; Course 36, thence North 64°02'20" West, 56.18 feet; Course 37, thence North 64°31'59" West, 44.40 feet; Course 38, thence North 45°11'49" West, 58.29 feet; Course 39, thence North 37°43'23" West, 68.80 feet; Course 40, thence North 02°41'36" West, 88.50 feet; Course 41, thence North 02°06'49" West, 73.09 feet; Course 42, thence North 04°53'38" East, 86.05 feet; Course 43, thence North 05°05'30" East, 95.10 feet; Course 44, thence North 28°50'30" West, 58.14 feet; Course 45, thence North 48°55'53" West, 68.30 feet; Course 46, thence North 45°34'57" West, 74.88 feet; Course 47, thence North 29°56'25" West, 51.40 feet; Course 48, thence North 12°05'37" West, 72.07 feet; Course 49, thence North 31°46'26" East, 28.73 feet; Course 50, thence North 62°21'20" East, 59.52 feet; Course 51, thence North 89°26'28" East, 25.20 feet; Course 52, thence North 82°18'54" East, 55.94 feet; Course 53, thence South 65°50'59" East, 41.72 feet; Course 54, thence South 66°19'42" East, 49.58 feet; Course 55, thence North 47°17'56" East, 30.64 feet; Course 56, thence North 84°19'39" East, 48.59 feet; Course 57, thence South 67°19'52" East, 48.05 feet; Course 58, thence North 57°16'24" East, 26.00 feet; Course 59, thence North 89°32'02" East, 47.84 feet; Course 60, thence South 87°36'33" East, 51.75 feet; Course 61, thence North 85°07'24" East, 50.38 feet; Course 62, thence North 01°03'43" West, 115.11 feet to the Point of Beginning.

Containing 1249.73 acres, more or less.

SKETCH TO ACCOMPANY DESCRIPTION OF

A PORTION OF SECTIONS 32 AND 33, TOWNSHIP 3 SOUTH, RANGE 28 EAST,
TOGETHER WITH A PORTION OF SECTIONS 4, 5, 8 AND 9, TOWNSHIP 4 SOUTH,
RANGE 28 EAST, DUVAL COUNTY, FLORIDA,

BEING MORE PARTICULARLY DESCRIBED IN SEPARATE ATTACHMENT.



NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER.



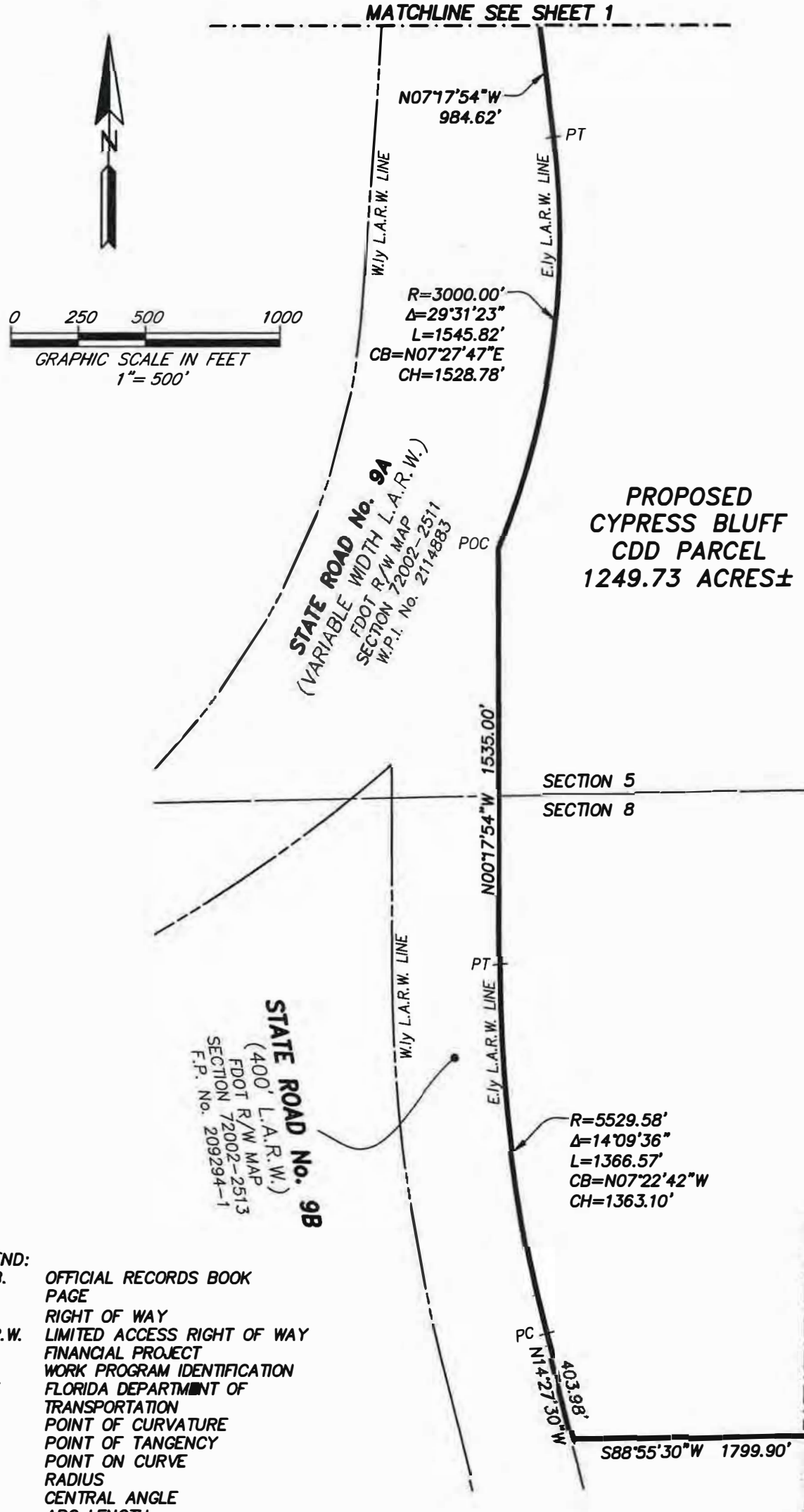
ROBERT M. ANGAS ASSOCIATES, INC.
SURVEYORS • PLANNERS • CIVIL ENGINEERS

14775 Old St. Augustine Road, Jacksonville, FL. 32258
Tel: (904) 642-8550 Fax: (904) 642-4165
Certificate of Authorization No.: LB 3624

DATE: SEPTEMBER 1, 2017 SCALE: 1"=1500'

ANDREW O. KNUPEL
PROFESSIONAL SURVEYOR AND MAPPER
STATE of FLORIDA LS No. 6511

A PORTION OF SECTIONS 32 AND 33, TOWNSHIP 3 SOUTH, RANGE 28 EAST,
TOGETHER WITH A PORTION OF SECTIONS 4, 5, 8 AND 9, TOWNSHIP 4 SOUTH,
RANGE 28 EAST, DUVAL COUNTY, FLORIDA.

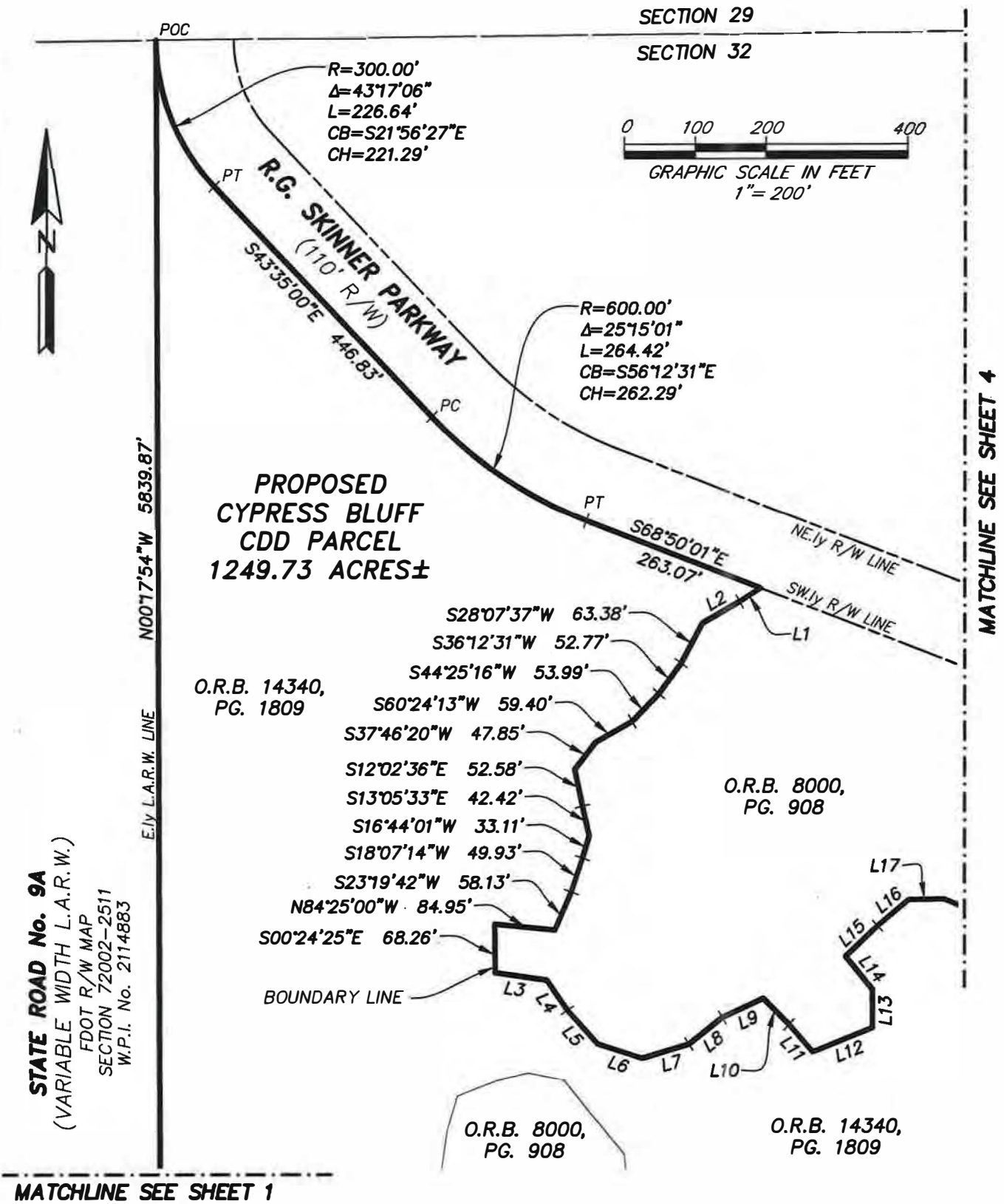


LEGEND:
O.R.B. OFFICIAL RECORDS BOOK
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R/W RIGHT OF WAY
L.A.R.W. LIMITED ACCESS RIGHT OF WAY
F.P. FINANCIAL PROJECT
W.P.I. WORK PROGRAM IDENTIFICATION
FDOT FLORIDA DEPARTMENT OF TRANSPORTATION
PC POINT OF CURVATURE
PT POINT OF TANGENCY
POC POINT ON CURVE
R RADIUS
Δ CENTRAL ANGLE
L ARC LENGTH
CB CHORD BEARING
CH CHORD DISTANCE

SHEET 2 OF 5
SEE SHEET 1 FOR NOTES.

PREPARED BY:
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CERTIFICATE OF AUTHORIZATION NO. LB 3624

A PORTION OF SECTIONS 32 AND 33, TOWNSHIP 3 SOUTH, RANGE 28 EAST,
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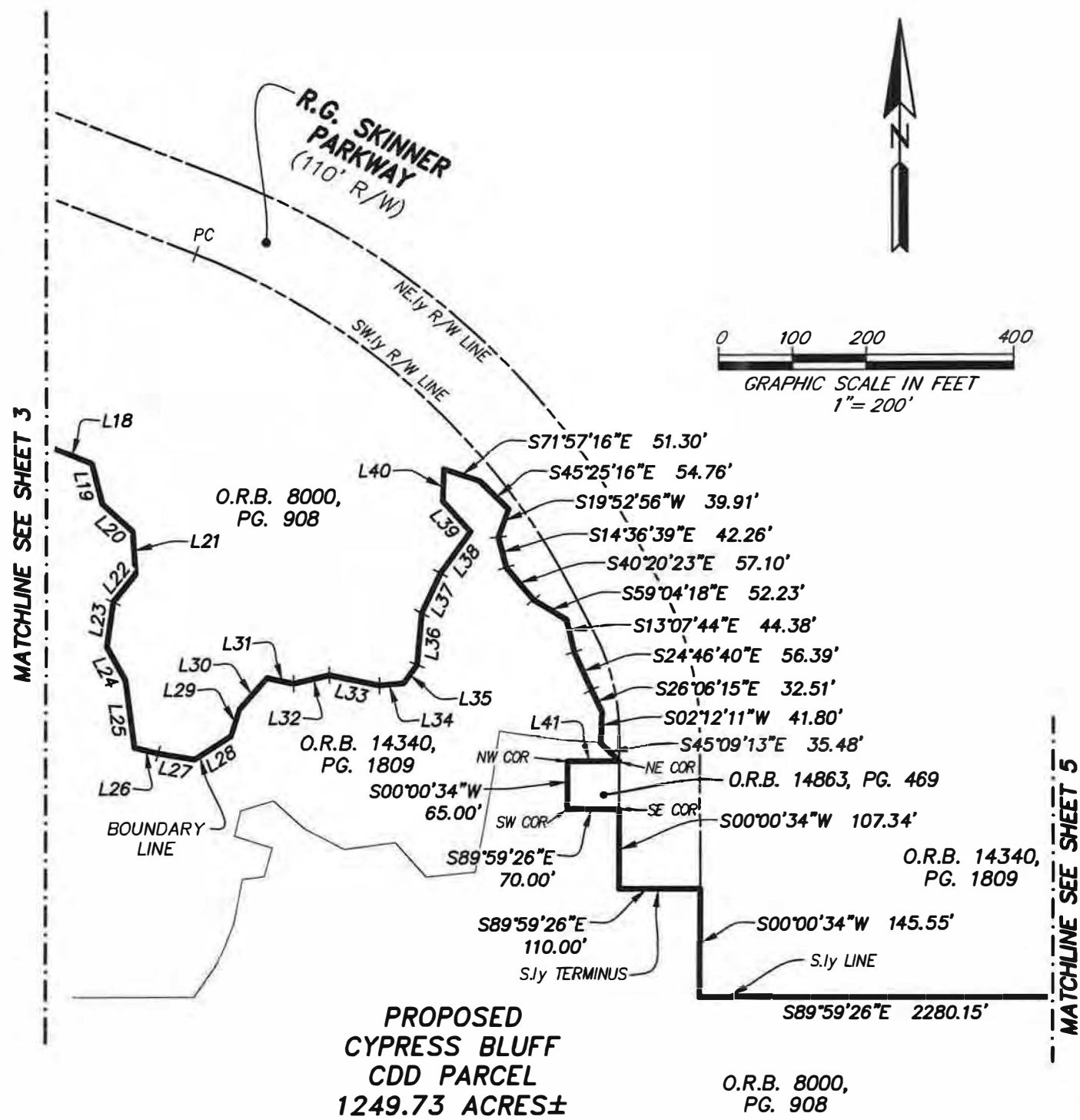


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L2	S59°53'26"W	60.77'
L3	S81°52'44"E	73.42'
L4	S35°00'24"E	50.94'
L5	S42°29'27"E	63.28'
L6	S72°15'25"E	65.91'
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L8	N51°47'07"E	59.88'
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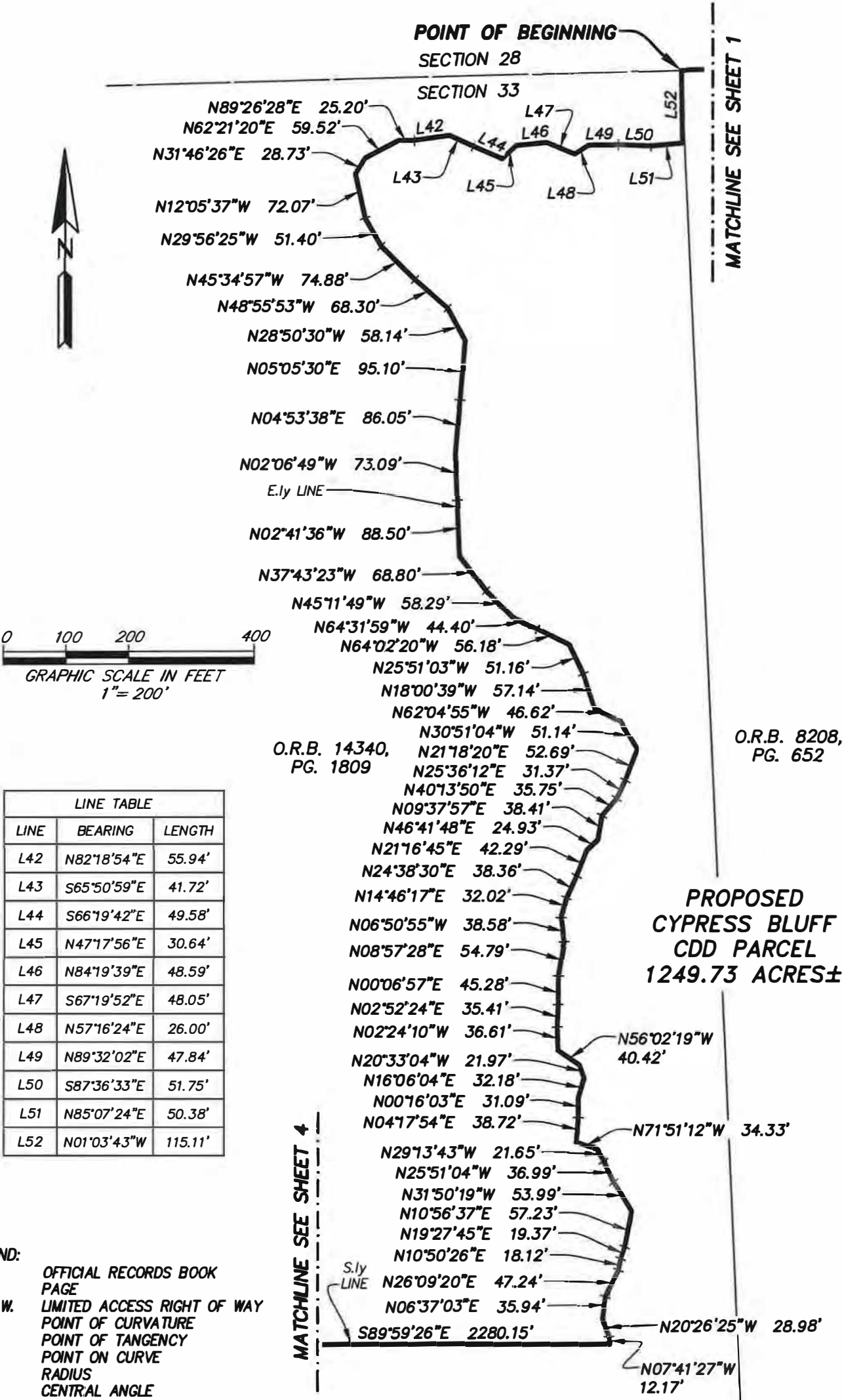
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L13	N00°26'34"W	52.95'
L14	N39°25'04"W	59.68'
L15	N46°31'57"E	62.01'
L16	N50°00'38"E	57.16'
L17	N88°38'44"E	49.62'

LEGEND:
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PT POINT OF TANGENCY
POC POINT ON CURVE
R RADIUS
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CB CHORD BEARING
CH CHORD DISTANCE
L1 TABULATED LINE DATA

A PORTION OF SECTIONS 32 AND 33, TOWNSHIP 3 SOUTH, RANGE 28 EAST,
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Δ CENTRAL ANGLE
L ARC LENGTH
CB CHORD BEARING
CH CHORD DISTANCE
L1 TABULATED LINE DATA

SHEET 5 OF 5
SEE SHEET 1 FOR NOTES.

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CERTIFICATE OF AUTHORIZATION NO. LB 3624

Cypress Bluff Community Development District

EXHIBIT 4

EXISTING/FUTURE LAND USE

NOVEMBER 2, 2017

LEGEND

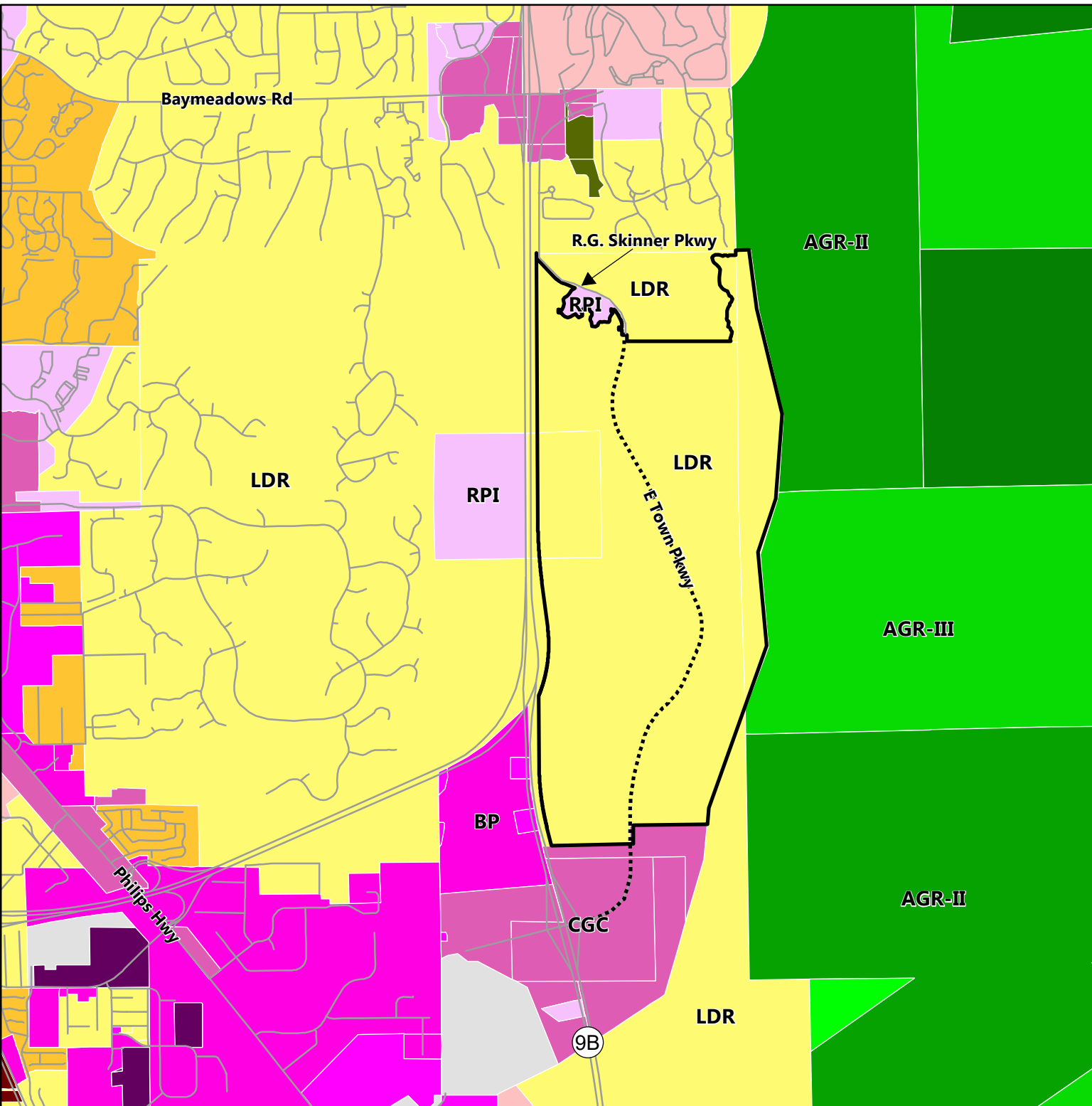


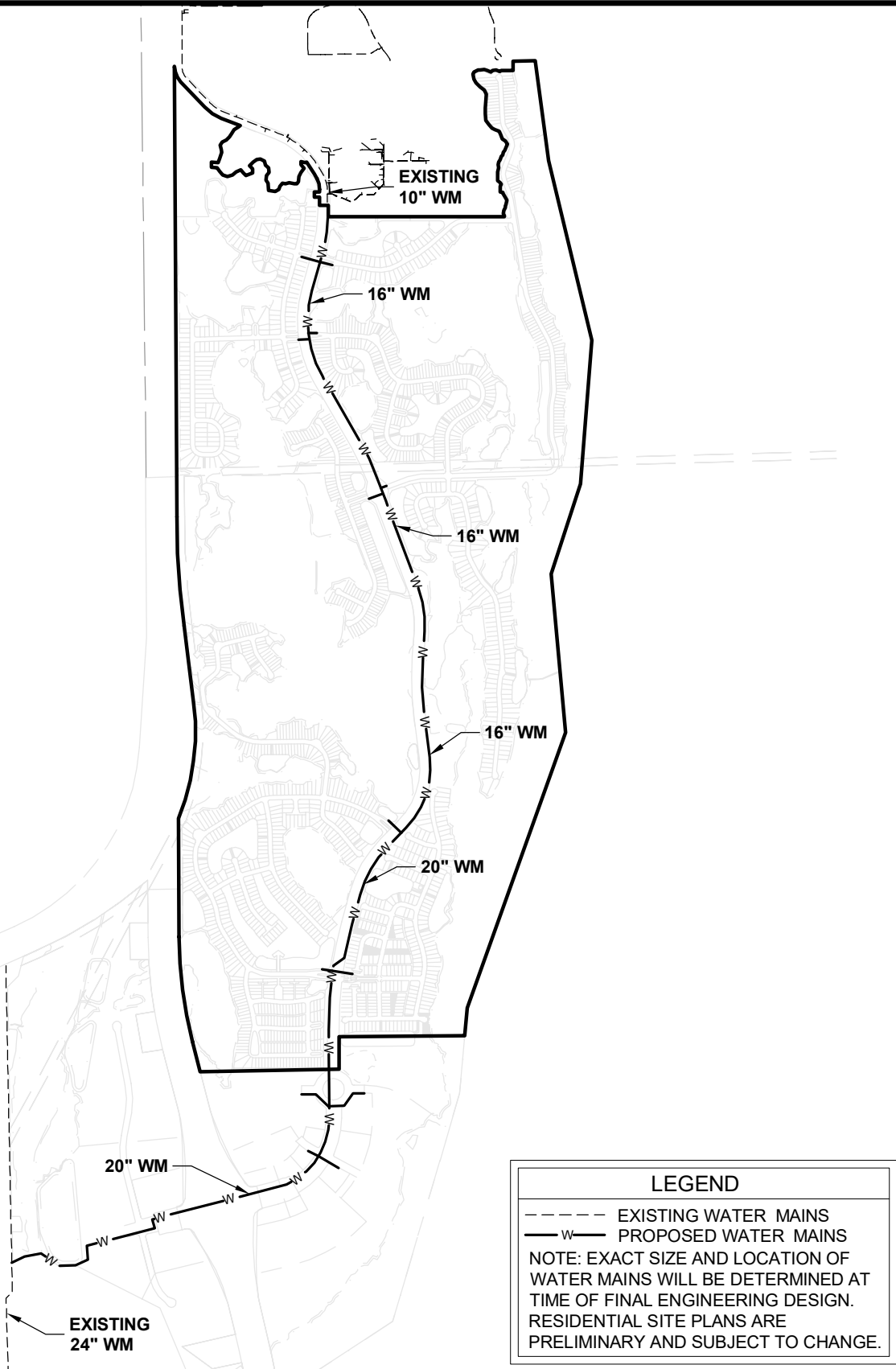
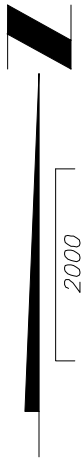
Cypress Bluff CDD



0 1,500 3,000 6,000
FEET

Source: ETM, Duval County





LEGEND	
-----	EXISTING WATER MAINS
—w—	PROPOSED WATER MAINS
NOTE: EXACT SIZE AND LOCATION OF WATER MAINS WILL BE DETERMINED AT TIME OF FINAL ENGINEERING DESIGN. RESIDENTIAL SITE PLANS ARE PRELIMINARY AND SUBJECT TO CHANGE.	



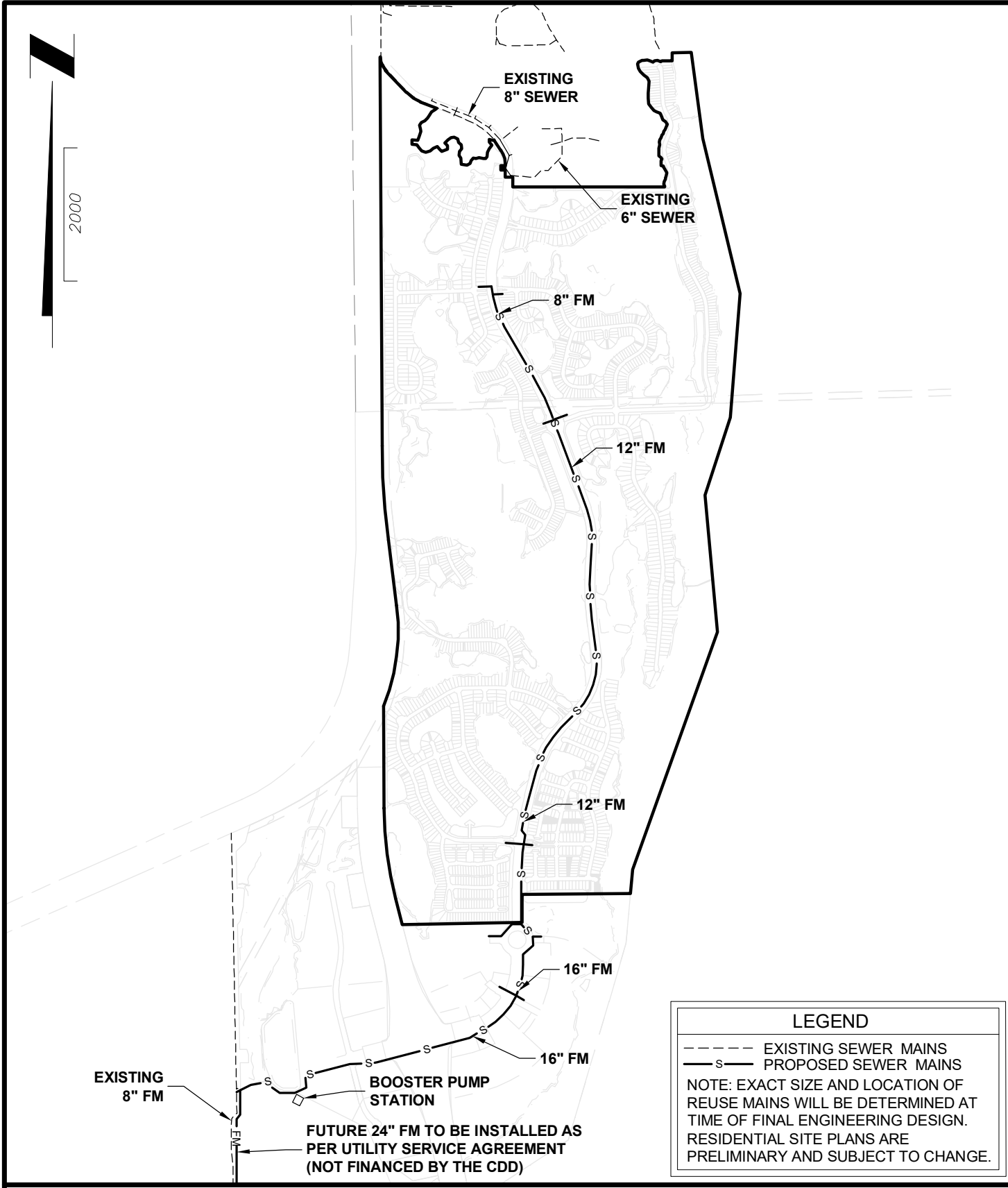
VISION - EXPERIENCE - RESULTS
ENGLAND - THIMS & MILLER, INC.

14775 Old St. Augustine Road, Jacksonville, FL 32258
TEL: (904) 642-8990, FAX: (904) 646-9485
CA - 00002584 LC - 0000316

EXHIBIT 5 PAGE 1 OF 3

MASTER WATER PLAN CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT

PLOTTED: December 14, 2017 - 11:26 AM, BY: Daniel Welch
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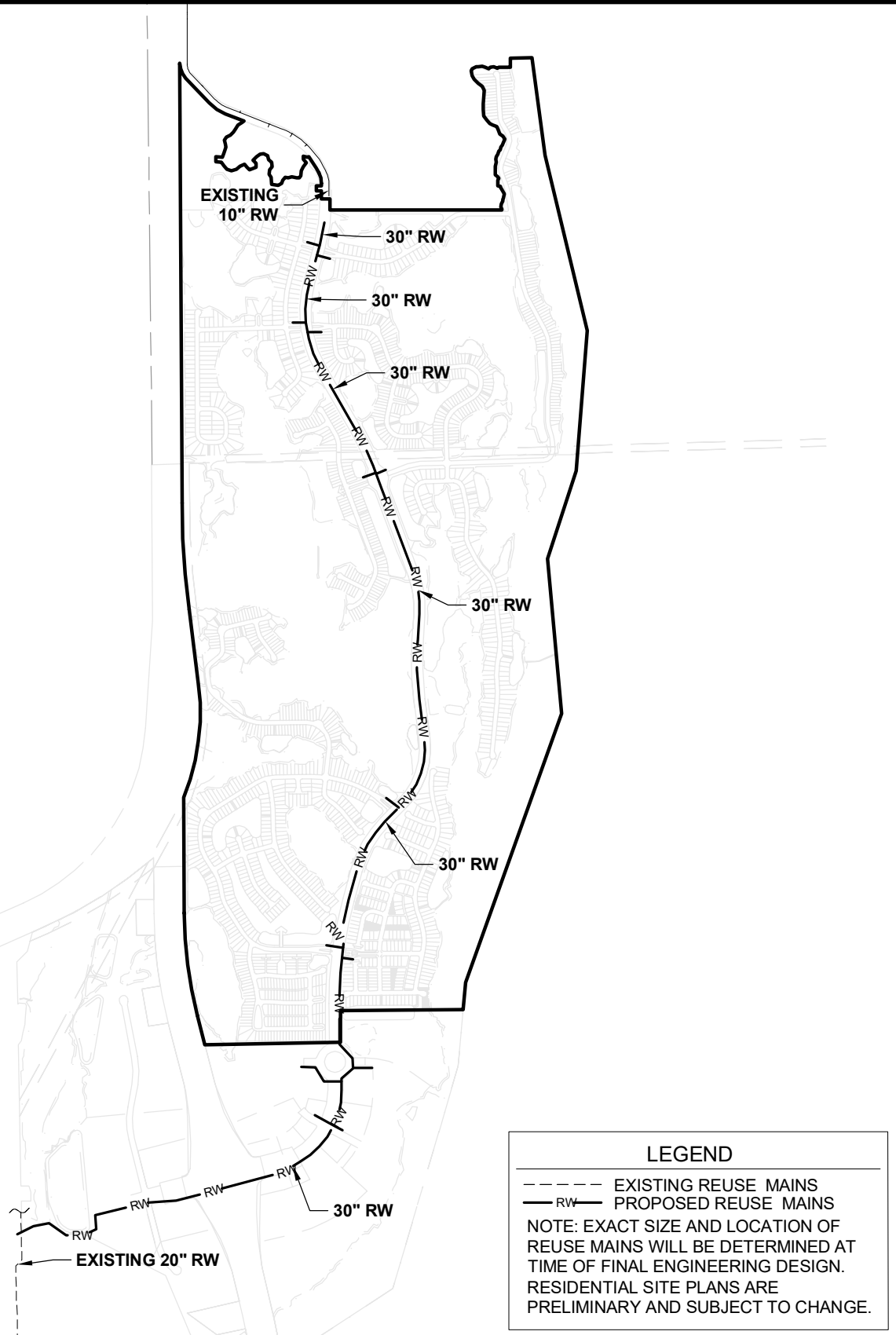
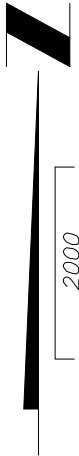


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EXHIBIT 5 PAGE 2 OF 3

MASTER SANITARY SEWER PLAN CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT



LEGEND

- EXISTING REUSE MAINS
 - RW — PROPOSED REUSE MAINS
- NOTE: EXACT SIZE AND LOCATION OF REUSE MAINS WILL BE DETERMINED AT TIME OF FINAL ENGINEERING DESIGN. RESIDENTIAL SITE PLANS ARE PRELIMINARY AND SUBJECT TO CHANGE.



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EXHIBIT 5 PAGE 3 OF 3

MASTER REUSE PLAN CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT

EXHIBIT 6
DISTRICT INFRASTRUCTURE IMPROVEMENTS
CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT

Description of Improvements	Construction Entity⁵	Final Owner	Maintenance Entity
E-Town Parkway/R.G. Skinner Parkway Landscape/Irrigation	Developer	COJ/CDD ¹	COJ/CDD ¹
E-Town Parkway/R.G. Skinner Parkway Hardscape/Signage	Developer	COJ/CDD ¹	COJ/CDD ¹
E-Town Parkway/R.G. Skinner Parkway Fencing	Developer	CDD	CDD
E-Town Parkway/R.G. Skinner Electric/Street Lighting	Developer	JEA ⁴	JEA ⁴
Utilities (Water, Sewer, Electrical, Street Lighting)	Developer	JEA	JEA
Stormwater Systems	Developer	CDD	CDD
Roadway Improvements	Developer	COJ/HOA ²	COJ/HOA ^{2,3}
Recreational Improvements	CDD	CDD	CDD

Notes:

¹COJ is expected to operate and maintain the right of way infrastructure; CDD may provide enhanced landscape maintenance through an interlocal agreement with the city.

²HOA will be responsible for operation and maintenance of all roadways which COJ will not own (private roads, alleys, etc.) and that are not funded by the CDD.

³HOA may provide enhanced maintenance on COJ owned roads.

⁴Funding for electricity provided by COJ.

⁵It is currently the intention of the CDD to acquire E-Town Parkway landscape, irrigation, hardscape, signage, street lighting, electrical, master utilities, and ponds and for the CDD to construct the master recreational improvements including the amenity center. These plans are subject to change.

COJ = City of Jacksonville

CDD = Community Development District

JEA = Jacksonville Electric Authority

HOA = Home Owners Association

Note: This exhibit identifies the current intentions of the District and is subject to change based upon various factors such as future development plans or market conditions.

EXHIBIT 7
COST ESTIMATE SHEET
CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT

MASTER INFRASTRUCTURE COSTS	Total
1. E-Town Parkway/R.G. Skinner Parkway Landscape/Irrigation	\$1,035,000
2. E-Town Parkway/R.G. Skinner Parkway Hardscape/Signage	\$172,500
3. E-Town Parkway/R.G. Skinner Parkway Fencing	\$949,929
4. E-Town Parkway/R.G. Skinner Electric/Street Lighting	\$2,587,500
5. Utilities (Water, Sewer, Electrical, Street Lighting) ^{1,2}	\$4,027,345
6. Recreational Improvements ³	\$7,728,000
7. Engineering, Testing, Planning, CEI, Mobilization, As-builts, Erosion Control, Etc.	\$1,235,761
TOTAL COSTS	\$17,736,034

1. Includes Transmission (Trunk) Water, Sewer (Force Main), and JEA Electric. Costs include Booster Pump Station and Reuse Pump Stations.

2. Reclaimed water improvements will be funded by JEA pursuant to the Master Utility Agreement.

3. These estimates contemplate the exercise of special powers pursuant to Sections 190.012(2)(a) and 190.012(2)(d), Florida Statutes.

Note: This exhibit identifies the current intentions of the District and is subject to change based upon various factors such as future development plans or market conditions.

B.

Cypress Bluff Community Development District

Preliminary Supplemental Assessment Methodology Report for the Special Assessment Revenue Bonds Series 2019

January 9, 2019

**Prepared by
Governmental Management Services, LLC**

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1.0 Introduction

1.1 Purpose

This report outlines the assessments assigned to certain properties to secure the Cypress Bluff Community Development District's ("District") Series 2019 Special Assessment Bonds ("Series 2019 Bonds"). The Methodology described herein quantifies the special benefits to properties in the District that are derived as a result of the installation of infrastructure facilities and equitably allocates those costs incurred by the District to provide these benefits to properties in the District.

The District has adopted a Capital Improvement Program ("Improvement Plan" or "CIP") that will allow for the development of property within the District as described in the District Engineer's Report dated July 30, 2018 which was prepared by England, Thims and Miller (the "2018 Engineer's Report"). On August 20, 2018, the District approved its Master Special Assessment Methodology Report describing the methodology to allocate debt over the approximately 1,249.70 total acres and 547.03 developable acres located in The City of Jacksonville ("Jacksonville" or "COJ"), Florida that will receive special benefit from the proposed CIP to be installed in the District. The Development is planned for 1,714 single-family lots which include 346 Active Adult lots.

The District plans to partially fund the CIP through debt financing. This debt will be repaid from the proceeds of an assessment levied by the District. The levy takes the form of non-ad valorem special assessments that are liens against properties within the boundary of the District that receive special benefits from the CIP. The methodology herein allocates this debt to properties based upon the special and peculiar benefits each property receives from the CIP according to the reasonable and fair apportionment of the duty to pay for these levied assessments. This report is designed to conform to the requirements of Chapters 170, 190 and 197, F.S. with respect to special assessments and is consistent with our understanding of the case law on the subject.

This report supplements the Master Special Assessment Methodology Report dated August 20, 2018 as adopted by the Board of Supervisors (collectively, the "Master Report").

1.2 Scope of the Report

This report presents the master projections for financing the 2019 Project representing the portion of the CIP financed by the District's Series 2019 Bonds. The Report also describes the master apportionment of benefits and special assessments resulting from the provision of improvements to the lands within the 2019 Assessment Area, as defined herein.

1.3 Special Benefits and General Benefits

The Improvements undertaken by the District create special and peculiar benefits to the property, different in kind and degree than general benefits, for properties within its borders as well as general benefits to the public at large.

However, as discussed within this report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to property within the District. The improvements enable properties within the District boundaries to be developed. Without the Improvements, there would be no infrastructure to support development of land within the District. Without these Improvements, state law would prohibit development of property within the District.

There is no doubt that the general public, property owners, and property outside the District will benefit from the provision of the Improvements. However, these are incidental to the Improvement Program, which is designed solely to provide special benefits peculiar to property within the District. Properties outside the District do not depend upon the District's Capital Improvement Program as defined herein to obtain, or to maintain their development entitlements. This fact alone clearly distinguishes the special benefits which District properties receive compared to those lying outside of the District's boundaries. Even though the exact value of the benefits provided by the Improvements is difficult to estimate at this point, it is nevertheless greater than the costs associated with providing same.

1.4 Organization of this Report

Section One describes the purpose of the report along with the scope and benefits of the Capital Improvement Program, including that portion financed by the Series 2019 Bonds.

Section Two describes the development program as proposed by the Developer.

Section Three provides a summary of the Capital Improvement Program for the District as determined by the District Engineer.

Section Four discusses the financing program for the District.

Section Five introduces the Assessment Methodology.

2.0 Development Program for Cypress Bluff

2.1 Overview

The Cypress Bluff development is designed as a planned residential community, located within Jacksonville, Florida. The proposed land use within the District is consistent with Jacksonville Land Use and Comprehensive Plans.

2.2 The Development Program

The Development will consist of approximately 1,714 single-family residential homes which includes 346 Active Adult homes. The portion of the Development subject to the Series 2019 Bonds, as detailed in **Table 1**, consists of 1,123 single-family residential homes which includes 346 Active Adult homes ("2019 Assessment Area"). There are 777 single family lots that are not classified as Active Adult hereafter referred to as "Residential Lots".

3.0 The Capital Improvement Program for Cypress Bluff

3.1 Engineering Report

The infrastructure costs to be funded by the District are determined by the District Engineer in the 2019 Supplemental Engineer's Report. As defined in the 2019 Engineer's Report, the 2019 Project consists of that portion of the CIP financed with the proceeds of the Districts Series 2019 Bonds. The remaining costs will be funded by future bond issues and developer funding.

Only infrastructure that may qualify for bond financing by the District under Chapter 190, Florida Statutes, was included in these estimates.

3.2 Capital Improvement Program

The CIP includes improvements intended to serve the development consist of improvements associated with the roadway E Town Parkway/Skinner Parkway such as utilities, landscape, hardscape and electric and master recreation improvements as well as neighborhood improvements ("Improvements"). The CIP is estimated to cost approximately \$76.1 million consisting of \$17.7 million for master infrastructure improvements (the "Master CIP") and \$58.3 million for neighborhood infrastructure improvements (the "Neighborhood CIP"). The Improvements to be constructed, will represent a system of improvements that irrespective of certain exceptions described further in Section 5.1 of this Report, will provide benefits to all lands within the District. The value of the special benefits that are provided by the CIP are greater than the District's costs of providing these benefits and the assessments levied to support the costs as shown in **Table 2. Table 3** provides for the cost estimates of the Master CIP.

4.0 Financing Program for Cypress Bluff

4.1 Overview

As noted above, the District is embarking on a program of capital improvements, which will facilitate the development of lands within the District. Construction of certain Improvements may be funded by the Developer and acquired by the District under an agreement between the District and the Developer, or may be funded directly by the District.

The District will issue its Series 2019 Bonds in the principal amount of \$10,870,000.00 to fund a portion of the District's Master CIP. That portion of the Master CIP funded with the proceeds of the Series 2019 Bonds is referred to as the 2019 Project. The District may issue additional bonds for development of future phases and improvements.

4.2 Series 2019 Bonds

The Series 2019 Bonds have an anticipated issuance date of February 7, 2019. The Series 2019 Bonds will be repaid with thirty principal installments commencing on May 1, 2019 with interest paid semiannually every November 1 and May 1, maturing May 1, 2048. The Series 2019 Assessment Area, planned for 1,123 single family residential units will fully absorb the 2019 debt assessments.

The Series 2019 Bonds are anticipated to be issued at par amount of \$10,870,000, with an average coupon interest rate estimated at 5.5% and provide for immediate construction funds of \$5,808,000 and Escrowed Funds of \$4,303,687 which may be available for construction or used to prepay par debt. The maximum net annual debt service for the Series 2019 Bonds is anticipated to be \$731,825.

The difference between the par amount of bonds and the construction funds consists of costs of issuance including underwriter's discount and professional fees associated with debt issuance, and debt service reserve funds.

The sources and uses of the Series 2019 Bond sizing are presented in **Table 4** in the Appendix.

5.0 Assessment Methodology

5.1 Overview

The Series 2019 Bonds provide the District with funds to construct a portion of the Master CIP outlined in Section 3.2. These improvements lead to special and general benefits, with special benefits accruing generally to the properties within the boundaries of the District and general benefits accruing to areas outside the District and being only incidental in nature. The debt incurred in financing infrastructure construction will be paid off by assessing properties that derive special and peculiar benefits from the proposed projects. All properties that receive special benefits from the District's CIP will be assessed. As detailed in the assignment of debt, the Active Adult community will not have access to the District Amenity and as such no benefit for Recreation will be assigned to the Active Adult lots.

5.2 Assigning Debt

The current development plan for the District projects construction of infrastructure for approximately 1,714 single-family residential homes, which includes 346 Active Adult homes.

The Improvements provided by the District will include Master Infrastructure Improvements of recreation facilities and utilities, landscape, hardscape and electric to E-Town Parkway/R.G. Skinner Parkway.

All residential development within the District will benefit from the **Master Improvements** to E-Town Parkway and R.G. Skinner Parkway, as the Improvements provide basic infrastructure to all residential lands within the District and benefit all residential lands within the District as an integrated system of improvements. Active Adult, however, will not benefit from the Master Recreation Improvements as the Active Adult community will not have access to the Master Recreation improvements.

Benefited units for Master Improvements will be based on an equivalent residential unit ("ERU") of 1.0 for each lot within the District, except Active Adult will not share in the cost of Master Recreation infrastructure.

As the provision of the above listed Improvements by the District will make the lands in the District developable, the land will become more valuable to their owners. The increase in the value of the land provides the logical benefit of Improvements that accrues to the developable parcels within the District.

The debt incurred by the District to fund the Improvements is allocated to the properties receiving special benefits equally, except that Active Adult will not receive benefit from Master Recreation and therefore will not be assigned debt assessments related to Master Recreation.

Table 5 represents the preliminary principal assessments and true-up levels at the time of issuance of the Series 2019 Bonds for the areas within the District assessed to secure the Series 2019 Bonds.

5.3 Lienability Test: Special and Peculiar Benefit to the Property

As first discussed in Section 1.3, Special Benefits and General Benefits, Improvements undertaken by the District create special and peculiar benefits to certain properties within the District. The Improvements benefit properties within the District and accrue to all assessable properties on an ERU basis.

Improvements undertaken by the District can be shown to be creating special and peculiar benefits to the property. The special and peculiar benefits resulting from each Improvement undertaken by the District are:

- a. Roadway and Drainage Improvements result in special and peculiar benefits such as the added use of the property, added enjoyment of the property, and likely increased marketability of the property.
- b. Storm Water Management facilities result in special and peculiar benefits such as the added use of the property, decreased insurance premiums, added enjoyment of the

- property, and likely increased marketability of the property.
- c. Water/Sewer and Reuse Utility Improvements result in special and peculiar benefits such as the added use of the property, and likely increased marketability and value of the property.
 - d. Hardscaping including entry features / landscaping result in special and peculiar benefits such as the added enjoyment of the property, and likely increased marketability and value of the property.
 - e. Recreation improvements result in special and peculiar benefits such as the added enjoyment of the property, and likely increased marketability and value of the property.

These special and peculiar benefits are real and ascertainable, but not yet capable of being calculated and assessed in terms of numerical value, however, each is more valuable than either the cost of, or the actual assessment levied for, the Improvement or debt allocated to the parcel of land.

5.4 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay

A reasonable estimate of the proportion of special and peculiar benefits received from the 2019 Project is delineated in **Table 6** (expressed as Allocation of Total Par Debt).

The determination has been made that the duty to pay the non-ad valorem special assessments is fairly and reasonably apportioned because the special and peculiar benefits to the property derived from the acquisition and / or construction of the District's Improvements (and the concomitant responsibility for the payment of the resultant and allocated debt) have been apportioned to the property according to reasonable estimates of the special and peculiar benefits provided consistent with the land use.

Accordingly, no acre or parcel of property within the boundaries of the District will be lienied for the payment of any non-ad valorem special assessment more than the

determined special benefit peculiar to that property. Further, the debt allocation will not be affected.

In accordance with the benefit allocation in **Table 2**, a Total Par Debt per Unit for Master Infrastructure has been calculated for each single family unit based on an ERU value of 1.0 for each lot, except that Active Adult has not been assigned costs for Master Recreation.

5.5 True-Up Mechanism

In order to assure that the District's debt will not build up on the unsold acre within the Series 2019 Assessment Area, and to assure that the requirements that the non-ad valorem special assessments will be constitutionally lienable on the property and will continue to be met, the District shall apply the true-up provisions set forth in the Master Assessment Methodology dated August 20, 2018 with respect to only the land in the Series 2019 Assessment Area as assigned in **Table 5**. Furthermore, each landowner in **Table 5** is subject to a separate True Up Agreement.

5.6 Additional Stipulations

Certain financing, development, and engineering data was provided by members of District staff and/or the Landowner. The allocation methodology described herein was based on information provided by those professionals. Governmental Management Services, LLC makes no representations regarding said information transactions beyond restatement of the factual information necessary for compilation of this report. For further information about the Series 2019 Bonds, please refer to the Indentures.

<p>TABLE 1 Cypress Bluff CDD Unit Counts Development Program for All Phases</p>
--

	<u>2019 Project</u>	<u>Future Projects</u>	<u>Totals</u>
Active Adult	346	0	346
Residential Lots	777	591	1,368
Total	<u>1,123</u>	<u>591</u>	<u>1,714</u>

As provided in the Master Methodology dated August 20, 2018, all units have an ERU value of 1.0 for Master Infrastructure. However, Active Adult lots are not assigned debt related to Master Recreation, as Active Adult units do not have access to Master Recreation amenities.

Prepared By
Governmental Management Services, LLC

TABLE 2
Cypress Bluff CDD
Benefit Analysis for Series 2019
Assessment Area

<u>Financing Mechanisms</u>	<u>Active Adult</u>	<u>Other Single Family Residential</u>	<u>Total Value/Amount</u>
Recreation Infrastructure		\$9,785,000	\$9,785,000 (1)
Other Infrastructure - Utilities, Landscape, Hardscape and Electric	\$2,558,664	\$10,116,336	\$12,675,000 (2)
Total - 2018	\$2,558,664	\$19,901,336	\$22,460,000

(1) Master Recreation Infrastructure costs do not apply to Active Adult as they do not have access to the master amenities.

(2) Applies to all units.

RECREATION INFRASTRUCTURE

<u>Land Use :</u>	<u>Number of Units</u>	<u>ERU Factor</u>	<u>Total ERU's</u>	<u>Total Recreation Benefit</u>	<u>Recreation Benefit Per ERU</u>
Active Adult	346	-	-	0	\$ -
Residential Lots	1,368	1.00	1,368	\$ 9,785,000	\$ 7,153
GRAND TOTALS	1,714			\$ 9,785,000	

OTHER INFRASTRUCTURE

<u>Land Use :</u>	<u>Number of Units</u>	<u>ERU Factor</u>	<u>Total ERU's</u>	<u>Total Other Benefit</u>	<u>Other Benefit Per ERU</u>
Active Adult	346	1.00	346	\$ 2,558,664	\$ 7,395
Residential Lots	1,368	1.00	1,368	\$ 10,116,336	\$ 7,395
GRAND TOTALS	1,714			\$ 12,675,000	

TOTALS

<u>Land Use :</u>	<u>Number of Units</u>	<u>Recreation Benefit / Unit</u>	<u>Other Benefit/ Unit</u>	<u>Total Benefit / Unit</u>	<u>Total Proposed Debt / Unit</u>
Active Adult	346	\$ -	\$ 7,395	\$ 7,395	\$ 5,569
Residential Lots	1,368	\$ 7,153	\$ 7,395	\$ 14,548	\$ 11,510

Prepared By

Governmental Management Services, LLC

TABLE 3
Cypress Bluff CDD
Infrastructure Cost Estimates
2019 Project

The 2019 Project will fund a portion of the Master Infrastructure Improvements as included in the Capital Improvement Plan.

<u>Master Infrastructure Improvements :</u>	<u>Total Cost Estimates</u>
E-Town parkway/R.G. Skinner Parkway Utilities, Landscape, Hardscape and Electric	\$10,008,034
Master Recreation Improvements	\$7,728,000
Total	<u><u>\$17,736,034</u></u>

Above costs include contingency, design and permitting for each functional category.

Information provided by England, Thims & Miller Inc. Capital Improvement Plan Report dated 6/30/18.

Prepared By
Governmental Management Services, LLC

TABLE 4
Cypress Bluff CDD
Bond Series 2019
Sources & Uses

<u>Sources</u>	<u>Bond Series 2019</u>
Bond Proceeds - par	\$10,870,000
Total Sources	\$10,870,000
<u>Uses</u>	
Project Fund Deposits	
Project Fund	\$5,808,000
Escrow Fund - Contracted Parcels (1)	\$4,303,687
	\$10,111,687
Other Fund Deposits	
Debt Service Reserve Fund @50% of MADS	\$365,913
Delivery Date Expenses	
Cost of Issuance	\$175,000
Underwriter's Discount	\$217,400
	\$392,400
Total Uses	\$10,870,000

Principal Amortization Installments	30
Average Coupon Rate	5.50%
Par Amount	\$10,870,000
Maximum Annual Debt Service (net)	\$731,825

Provided by MBS Capital Markets, LLC.

Financing parameters and amounts are estimated.
(1) Refer to Section 4.2 regarding disposition of these funds.

Prepared By
Governmental Management Services, LLC

TABLE 5
Cypress Bluff CDD
Assignment of Debt
Allocation 2019 Series Bonds
Series 2019 Assessment Area

ACTIVE ADULT

Owner (Parcel)	Developable Acres	Units	Series 2019 Bond Principal Assessment	Duval County Real Estate Number
Del Webb (E-3a)	57.2	186	\$1,035,875	167761-3010
Eastland Timber (E-3b)	50.9	160	\$891,075	167761-3001

RESIDENTIAL LOTS

Owner (Parcel)	Developable Acres	Units	Series 2019 Bond Principal Assessment	Duval County Real Estate Number
David Weekley Homes (E-2)	73	222	\$2,555,157	167761-3210
Toll Brothers Homes (E-4)	65	111	\$1,277,579	167761-3220
Toll Brothers Homes (E-6)	72	143	\$1,645,890	167761-3215
Eastland Timber (E-5)	46	168	\$1,933,633	167761-3001
Eastland Timber (E-7a)	84	133	\$1,530,792	167761-3001

Prepared By

Governmental Management Services, LLC

TABLE 6
Cypress Bluff CDD
Par Debt and Debt Service
Series 2019 Assessment Area

Development Type :	<u>Number of Planned Units</u>	<u>ERU Factor</u>	<u>Total ERU's</u>	<u>2019 Par Debt</u>	<u>2019 Par Debt per Unit</u>	<u>2019 Annual Net Assessment</u>	<u>Per Unit 2019 Annual Net Assessment</u>	<u>2019 Annual Gross Assessment Per Unit (1)</u>
Residential Single Family:								
Active Adult Lots	346	1.00	346.00	\$ 1,926,950	\$5,569	\$129,719	\$ 375	\$ 405
Residential Lots	777	1.00	777.00	\$ 8,943,050	\$11,510	\$602,106	\$ 775	\$ 838
Total	<u>1,123</u>			<u>\$10,870,000</u>		<u>\$731,825</u>		

As provided in the Master Methodology dated August 20, 2018, all units have an ERU value of 1.0 for Master Infrastructure. However, Active Adult lots are not assigned debt related to Master Recreation, as Active Adult units do not have access to Master Recreation amenities.

(1) include 3.5% collection costs of Duval County and maximum early payment discount of 4%.

Prepared By
Governmental Management Services, LLC

TABLE 7
Cypress Bluff CDD
Legal Description of
Assessment Lands
In Series 2019 Assessment Area

<u>Property</u>	<u>Debt Assessment</u>
See Attached Legal	\$10,870,000

1. Attached is a legal description of the initial Series 2019 Assessment Area, which is subject to modification as provided herein.

C.

RESOLUTION 2019-03

A RESOLUTION OF THE BOARD OF SUPERVISORS OF CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$12,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS IN ONE OR MORE SERIES (THE "SERIES 2019 BONDS"); DETERMINING CERTAIN DETAILS OF THE SERIES 2019 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL TRUST INDENTURE; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2019 BONDS; APPOINTING THE UNDERWRITER; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTRACT OF PURCHASE WITH RESPECT TO THE SERIES 2019 BONDS AND AWARDING THE SERIES 2019 BONDS TO THE UNDERWRITER NAMED THEREIN PURSUANT TO THE PARAMETERS SET FORTH IN THIS RESOLUTION; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF THE PRELIMINARY LIMITED OFFERING MEMORANDUM AND ITS USE BY THE UNDERWRITER IN CONNECTION WITH THE OFFERING FOR SALE OF THE SERIES 2019 BONDS AND APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT AND THE APPOINTMENT OF A DISSEMINATION AGENT; PROVIDING FOR THE APPLICATION OF SERIES 2019 BOND PROCEEDS; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2019 BONDS; MAKING CERTAIN DECLARATIONS; APPOINTING A TRUSTEE; PROVIDING FOR THE REGISTRATION OF THE BONDS PURSUANT TO THE DTC BOOK-ENTRY SYSTEM; PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES.

WHEREAS, Cypress Bluff Community Development District (the "District") is a local unit of special-purpose government organized and existing in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the

"Act"), created by Ordinance No. 2018-335 of the City Council of the City of Jacksonville, Florida (the "City"), enacted on June 26, 2018 and effective on June 29, 2018, as amended;

WHEREAS, the District was created for the purpose of delivering certain community development services and facilities within and outside its jurisdiction, and the District has decided to undertake the design, acquisition and/or construction of certain improvements pursuant to the Act (the "Capital Improvement Program"); and

WHEREAS, the District duly adopted Resolution No. 2018-27 on August 1, 2018 (the "Initial Resolution"), authorizing, among other things, the issuance in one or more series of not to exceed \$96,000,000 aggregate principal amount of its Special Assessment Bonds; and

WHEREAS, the District has determined to issue its Cypress Bluff Community Development District Special Assessment Bonds, in one or more series, (the "Series 2019 Bonds"), for the purpose, among other things, of providing funds for the payment of the costs of a portion of the District's Capital Improvement Program (the "Series 2019 Project"); and

WHEREAS, there has been submitted to this meeting with respect to the issuance and sale of the Series 2019 Bonds and submitted to the Board:

(i) a form of First Supplemental Trust Indenture ("First Supplement"), between The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee"), and the District attached hereto as **Exhibit A**;

(ii) a form of Contract of Purchase with respect to the Series 2019 Bonds between MBS Capital Markets, LLC (the "Underwriter") and the District attached hereto as **Exhibit B** (the "Contract of Purchase"), together with the form of disclosure statements attached to the Contract of Purchase in accordance with Section 218.385, Florida Statutes;

(iii) the form of Preliminary Limited Offering Memorandum attached hereto as **Exhibit C** (the "Preliminary Limited Offering Memorandum"); and

(iv) a form of Continuing Disclosure Agreement (the "Continuing Disclosure Agreement"), among the District, Eastland Timber, LLC, (the "Developer"), and Government Management Services, LLC, as dissemination agent, attached hereto as **Exhibit D**.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Cypress Bluff Community Development District, as follows:

Section 1. Authorization, Designation and Principal Amount of the Series 2019 Bonds. There are hereby authorized and directed to be issued the Series 2019 Bonds, in the aggregate principal amount of not to exceed \$12,000,000, for the purposes, among others, of providing funds for the payment of all or a portion of the costs of the Series 2019 Project. The purchase price of the Series 2019 Bonds shall be received and receipted by the District, or the Trustee on behalf of the District, and the Trustee shall apply the proceeds of the Series 2019

Bonds as set forth in the Master Trust Indenture between the District and the Trustee, as supplemented by the First Supplement (together, the "Indenture") and the Limited Offering Memorandum (as defined below).

Section 2. Designation of Attesting Members. The Chair or the Secretary of the Board of Supervisors (the "Board") of the District, or in the case of the absence of either or the inability to act of either, the Vice Chair or Assistant Secretaries and members of the Board (each individually a "Designated Member"), are hereby designated and authorized on behalf of the Board to attest to the seal of the Board and to the signature of the Chair or Vice Chair of the Board as they appear on the Series 2019 Bonds, the Indenture and any other documents which may be necessary or helpful in connection with the issuance and delivery of the Series 2019 Bonds and in connection with the application of the proceeds thereof.

Section 3. Details of the Series 2019 Bonds. The District hereby determines that the Series 2019 Bonds shall be dated, have such interest payment dates, have such maturities, have such redemption provisions and bear interest at such rates, all as provided in the Indenture.

Section 4. Trust Indenture. The District hereby approves and authorizes the execution by the Chair or any Designated Member and the Secretary and the delivery of the First Supplement in substantially the form thereof attached hereto as **Exhibit A**, with such changes therein as shall be approved by the Chair or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer's approval and the District's approval of any changes therein from the form of First Supplement attached hereto.

Section 5. Appointment of Underwriter; Negotiated Sale. MBS Capital Markets, LLC, is hereby appointed the underwriter of the Series 2019 Bonds (the "Underwriter"). The Series 2019 Bonds shall be sold by a negotiated sale to the Underwriter. It is hereby determined by the District that a negotiated sale of the Series 2019 Bonds to the Underwriter will best effectuate the purposes of the Act, is in the best interest of the District and is necessitated by, in general, the characteristics of the issue and prevailing market conditions and specifically, the following additional reasons: (i) because of the complexity of the financing structure of the Series 2019 Bonds and the institutional market for unrated securities such as the Series 2019 Bonds, it is desirable to sell the Series 2019 Bonds pursuant to a negotiated sale so as to have an underwriter involved from the outset of the financing to assist in these matters; (ii) because of changing market conditions for tax-exempt bonds and the necessity of being able to adjust the terms of the Series 2019 Bonds, it is in the best interests of the District to sell the Series 2019 Bonds by a negotiated sale; (iii) the Underwriter has participated in structuring the issuance of the Series 2019 Bonds and can assist the District in attempting to obtain the most attractive financing for the District; and (iv) the District will not be adversely affected if the Series 2019 Bonds are not sold pursuant to a competitive sale.

Section 6. Contract of Purchase.

(i) The District hereby approves the form of the Contract of Purchase submitted by the Underwriter and attached as **Exhibit B** hereto, and the sale of the Series 2019 Bonds by the District upon the terms and conditions to be set forth in the Contract of Purchase and in compliance with (ii) below. Provided the provisions of subparagraph (ii) have been complied with, the Chair or a Designated Member are each hereby authorized, acting individually, to execute the Contract of Purchase and to deliver the Contract of Purchase to the Underwriter. The Contract of Purchase shall be in substantially the form of the Contract of Purchase attached hereto as **Exhibit B** with such changes, amendments, modifications, omissions and additions as may be approved by the Chair or the Designated Member. Execution by the Chair or a Designated Member of the Contract of Purchase shall be deemed to be conclusive evidence of approval of such changes. The disclosure statements of the Underwriter as required by Section 218.385 of the Florida Statutes, to be delivered to the District prior to the execution of the Contract of Purchase, a copy of which is attached as an exhibit to the Contract of Purchase, will be entered into the official records of the District;

(ii) Receipt by the Chair of a written offer to purchase the Series 2019 Bonds by the Underwriter substantially in the form of the Contract of Purchase, said offer to provide for, among other things, (A) the issuance of not exceeding \$12,000,000 initial aggregate principal amount of Series 2019 Bonds at an interest rate of not to exceed the rate computed by adding 300 basis points to the Bond Buyer "20 Bond Index" published immediately preceding the first day of the calendar month in which the Series 2019 Bonds are sold, (B) a price of not less than 98%, excluding underwriter's discount, of the par amount of the Series 2019 Bonds, (C) the final maturity of the Series 2019 Bonds shall not be later than May 1, 2050, and (D) the Series 2019 Bonds shall be subject to optional redemption not later than May 1, 2033.

Section 7. Preliminary Limited Offering Memorandum; Final Limited Offering Memorandum. The District hereby authorizes and approves the distribution and use of the Preliminary Limited Offering Memorandum in substantially the form submitted to this meeting and attached hereto as **Exhibit C** in connection with the limited offering for sale of the Series 2019 Bonds. The preparation of a final Limited Offering Memorandum is hereby approved and the Chair or any Designated Member is hereby authorized to execute such final Limited Offering Memorandum to be dated the date of the award of the Series 2019 Bonds, and upon such award, to deliver the same to the Underwriter for use by it in connection with the sale and distribution of the Series 2019 Bonds. The Limited Offering Memorandum shall be substantially in the form as the Preliminary Limited Offering Memorandum, with such changes as shall be approved by the Chair or Designated Member as necessary to conform to the details of the Series 2019 Bonds, the Contract of Purchase and such other insertions, modifications and changes as may be approved by the Chair or Designated Member. The execution and delivery of the Limited Offering Memorandum by the Chair shall constitute evidence of the approval thereof. The District hereby authorizes the use of the Limited Offering Memorandum and the

information contained therein in connection with the offering and sale of the Series 2019 Bonds. The District hereby authorizes the Chair or a Designated Member to deem "final" the Preliminary Limited Offering Memorandum except for permitted omissions all within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 and to execute a certificate in that regard.

Section 8. Continuing Disclosure. The District does hereby authorize and approve the execution and delivery of a Continuing Disclosure Agreement by the Chair or a Designated Member substantially in the form presented to this meeting and attached hereto as **Exhibit D** with a dissemination agent and the Developer. The Continuing Disclosure Agreement is being executed by the District in order to assist the Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5). Government Management Services, LLC is hereby appointed as the initial Dissemination Agent to perform the duties required under the Continuing Disclosure Agreement.

Section 9. Appointment of Trustee. The Bank of New York Mellon Trust Company, N.A. is hereby appointed to serve as Trustee, Paying Agent, Registrar and Authenticating Agent under the Indenture.

Section 10. Application of Bond Proceeds. The proceeds of the Series 2019 Bonds shall be applied to (i) paying all or a portion of the costs of the Series 2019 Project, (ii) funding the Debt Service Reserve Account of the Debt Service Reserve Fund for the Series 2019 Bonds, and (iii) paying the costs of issuance of the Series 2019 Bonds.

Section 11. Open Meetings. It is found and determined that all formal actions of the District concerning and relating to the adoption of this Resolution were taken in an open meeting of the members of the Board of Supervisors of the District and that all deliberations of the members of the Board of Supervisors of the District which resulted in such formal action were taken in meetings open to the public, in full compliance with all legal requirements.

Section 12. Further Official Action; Ratification of Prior and Subsequent Acts. The Chair, the Secretary and each member of the Board of Supervisors of the District and any other proper official of the District are each hereby authorized and directed to execute and deliver any and all documents and instruments (including, without limitation, any documents required by the Trustee to evidence its rights and obligations with respect to the Series 2019 Bonds, any documents required in connection with implementation of a book-entry system of registration, any agreements with the Developer and any agreements in connection with maintaining the exclusion of interest on the Series 2019 Bonds from gross income of the holders thereof) and to do and cause to be done any and all acts and things necessary or desirable for carrying out the transactions contemplated by this Resolution. In the event that the Chair or the Secretary is unable to execute and deliver the documents herein contemplated, such documents shall be executed and delivered by the respective designee of such officer or official or any other duly authorized officer or official of the District. The Secretary or any Assistant Secretary is hereby authorized and directed to apply and attest the official seal of the District to any agreement or

instrument authorized or approved herein that requires such a seal and attestation. The Chair or any Designated Member may, among other things, authorize the change of the date of any document accompanying this Resolution as an exhibit or incorporate the information and details related to the sale and pricing of the Series 2019 Bonds including any required changes to the District engineer's report or its assessment methodology. Execution by the Chair or a Designated Member of such document shall be deemed to be conclusive evidence of approval of such change of date or the incorporation of information and details relating to the sale and pricing of the Series 2019 Bonds. All of the acts and doings of such members of the Board, the officers of the District, and the agents and employees of the District, which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

Section 13. Severability. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

Section 14. Inconsistent Proceedings. All resolutions or proceedings, or parts thereof, in conflict with the provisions hereof are to the extent of such conflict hereby repealed or amended to the extent of such inconsistency.

Section 15. Engineer's Report. The Board hereby approves of changes to the Engineer's Report previously approved by the Board and also authorizes further revisions and supplements to the Engineer's Report with respect to the marketing and sale of the Series 2019 Bonds relating to the Series 2019 Project.

Section 16. Assessment Methodology Report. The Board hereby approves of changes to the Assessment Methodology Report previously approved by the Board and also authorizes further revisions and supplements to the Assessment Methodology Report with respect to the marketing and sale of the Series 2019 Bonds relating to the Series 2019 Project.

Section 17. Repealing Clause. All resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 18. Effective Date. This Resolution shall take effect immediately upon its adoption.

[End of Resolution – Signature page to follow]

PASSED in Public Session of the Board of Supervisors of Cypress Bluff Community Development District, this 9th day of January, 2019.

**CYPRESS BLUFF COMMUNITY
DEVELOPMENT DISTRICT**

Attest:

Secretary/Assistant Secretary,
Board of Supervisors

Chair,
Board of Supervisors

EXHIBIT A

FORM OF FIRST SUPPLEMENT

EXHIBIT B

FORM OF CONTRACT OF PURCHASE

EXHIBIT C

FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM

EXHIBIT D

FORM OF CONTINUING DISCLOSURE AGREEMENT

1.

FIRST SUPPLEMENTAL TRUST INDENTURE

BETWEEN

CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT

AND

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

Dated as of January 1, 2019

Authorizing and Securing

\$(_____)

CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT
Special Assessment Bonds, Series 2019

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THIS FIRST SUPPLEMENTAL TRUST INDENTURE dated as of January 1, 2019 (the "First Supplemental Indenture") between **CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT** (the "Issuer" or the "District"), a local unit of special-purpose government organized and existing under the laws of the State of Florida, and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association duly organized and existing under the laws of the United States of America, with its designated corporate trust office located at 10161 Centurion Parkway, Jacksonville, Florida 32256 (said banking association and any bank or trust company becoming successor trustee under this First Supplemental Indenture being hereinafter referred to as the "Trustee");

W I T N E S S E T H:

WHEREAS, the Issuer is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act") and Ordinance No. 2018-335-E enacted by the City Council of the City of Jacksonville, Florida (the "City") on June 26, 2018 and effective on June 29, 2018, for the purpose, among other things, of financing and managing the design, acquisition, construction, maintenance, and operation of systems, facilities and basic infrastructure within and without the boundaries of the premises to be governed by the Issuer; and

WHEREAS, the premises governed by the Issuer (referred to herein as the "District Lands") are described more fully in Exhibit A to the Master Trust Indenture dated as of January 1, 2019 (the "Master Indenture"), between the District and the Trustee, and currently consists of approximately 1,249.7 acres of land located entirely within the City; and

WHEREAS, the Issuer has been created for the purpose of delivering certain community development services and facilities for the benefit of the District Lands; and

WHEREAS, the Issuer has determined to undertake, in one or more stages, the acquisition and construction of certain public infrastructure and associated professional fees and incidental costs related thereto pursuant to the Act for the special benefit of the District Lands (as further described in Exhibit B to the Master Indenture, the "Capital Improvement Plan"); and

WHEREAS, the Board of Supervisors of the Issuer (the "Board") duly adopted Resolution No. 2018-27 on August 1, 2018 (the "Initial Bond Resolution"), authorizing, among other things, the issuance, in one or more series, of not to exceed \$96,000,000 aggregate principal amount of its Cypress Bluff Community Development District Special Assessment Bonds in order to pay all or a portion of the costs of the planning, financing, acquisition, construction, reconstruction, equipping and installation of the Capital Improvement Plan; and

WHEREAS, the District's Resolution 2019-03 was duly adopted by the Board on January 9, 2019, authorizing, among other things, the sale of its Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds") which are issued hereunder, as one Series of Bonds under, and as defined in, the Master Indenture, and has authorized the execution and delivery of the Master Indenture and this First Supplemental Indenture to secure the issuance of the Series 2019 Bonds and to set forth the terms of the Series 2019 Bonds; and

WHEREAS, the District will apply the proceeds of the Series 2019 Bonds to: (i) finance the Cost of acquiring, constructing and equipping assessable improvements comprising the Series 2019 Project (as defined herein); (ii) pay certain costs associated with the issuance of the Series 2019 Bonds; and (iii) make a deposit into the Series 2019 Debt Service Reserve Account which account will be held for the benefit of all of the Series 2019 Bonds, without privilege or priority of one Series 2019 Bond over another; and

WHEREAS, the Series 2019 Bonds will be secured by a pledge of the Pledged Revenues (as hereinafter defined) to the extent provided herein, which Pledged Revenues consist primarily of the Series 2019 Special Assessments (as hereinafter defined) levied on that portion of the District Lands benefitted by the Series 2019 Project; and

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH, that to provide for the issuance of the Series 2019 Bonds, the security and payment of the principal or redemption price thereof (as the case may be) and interest thereon, the rights of the Bondholders and the performance and observance of all of the covenants contained herein and in said Series 2019 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Series 2019 Bonds by the Owners thereof, from time to time, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer does hereby assign, transfer, set over and pledge to the Trustee, its successors in trust and its assigns forever, and grants a lien on all of the right, title and interest of the Issuer in and to the Pledged Revenues as security for the payment of the principal, redemption or purchase price of (as the case may be) and interest on the Series 2019 Bonds issued hereunder and any other amounts owed hereunder, and any Bonds issued on a parity with the Series 2019 Bonds, all in the manner hereinafter provided, and the Issuer further hereby agrees with and covenants unto the Trustee as follows:

TO HAVE AND TO HOLD the same and any other revenues, property, contracts or contract rights, accounts receivable, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, which may, by delivery, assignment or otherwise, be subject to the lien created by the Indenture.

IN TRUST NEVERTHELESS, for the equal and ratable benefit and security of all present and future Owners of the Series 2019 Bonds issued and to be issued under this First Supplemental Indenture, without preference, priority or distinction as to lien or otherwise (except as otherwise specifically provided in this First Supplemental Indenture) of any one

Series 2019 Bond over any other Series 2019 Bond, all as provided in the Indenture (as hereinafter defined), and any Bonds issued on a parity with the Series 2019 Bonds.

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal or redemption price of the Series 2019 Bonds issued, and any Bonds issued on a parity with the Series 2019 Bonds, secured and Outstanding hereunder and the interest due or to become due thereon, at the times and in the manner mentioned in such Series 2019 Bonds and the Indenture, according to the true intent and meaning thereof and hereof, and the Issuer shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this First Supplemental Indenture and the rights hereby granted shall cease and terminate, otherwise this First Supplemental Indenture to be and remain in full force and effect.

ARTICLE I. DEFINITIONS

In this First Supplemental Indenture capitalized terms used without definition shall have the meanings ascribed thereto in the Master Indenture and, in addition, the following terms shall have the meanings specified below, unless otherwise expressly provided or unless the context otherwise requires:

"Acquisition Agreement" shall mean, collectively, the [Agreement Regarding the Acquisition of Certain Work Product and Infrastructure], dated [_____, 20[___], by and between the District and the Developer and the [Agreement Regarding the Acquisition of Certain Work Product and Infrastructure], dated [_____, 20[___], by and between the District and the Landowner.

"Arbitrage Certificate" shall mean that certain Arbitrage Certificate of the Issuer, dated [_____, 2019, relating to certain restrictions on arbitrage under the Code.

"Assessment Methodology" shall mean, collectively, the Cypress Bluff Community Development District Master Special Assessment Methodology Report dated August 20, 2018, as supplemented by the Supplemental Assessment Methodology Report for the Special Assessment Revenue Bonds Series 2019, dated January 9, 2019, each as prepared by the Methodology Consultant and relating to the Series 2019 Bonds, including, without limitation, all exhibits and appendices thereto.

"Assessment Resolutions" shall mean Resolution Nos. 2018-25, 2018-26, 2018-34 and 2018-35 of the Issuer adopted August 1, 2018, August 1, 2018, September 25, 2018 and September 25, 2018, respectively, as amended and supplemented from time to time.

"Authorized Denomination" shall mean, with respect to the Series 2019 Bonds, \$5,000 or any integral multiple thereof; provided however, that the Series 2019 Bonds shall be delivered to the initial purchasers thereof in aggregate principal amounts of \$100,000 or integral multiples of \$5,000 in excess of \$100,000.

"Collateral Assignment" shall mean, collectively, the [Collateral Assignment and Assumption of Development and Contract Rights], dated [_____, 20[___], by the Developer in favor of the District, and the [Collateral Assignment and Assumption of Development and Contract Rights], dated [_____, 20[___], by the Landowner in favor of the District.

"Completion Agreement" shall mean, collectively, the [Completion Agreement] by and between the District and the [Developer], dated [_____, 20[___], as such agreement may be modified from time to time.

"Declaration of Consent" shall mean the [Declaration of Consent to Jurisdiction of Cypress Bluff Community Development District and to Imposition of Special Assessments], dated [_____, 20[___], delivered by the [Developer].

"Developer" shall mean E-Town Development, Inc., a Florida incorporated company, and any affiliate or any entity which succeeds to its interests and assumes any or all of the responsibilities of said entity, as the developer of the District Lands.

"District Manager" shall mean the person or entity serving as the Issuer's District Manager from time to time. The initial District Manager shall be Government Management Services, LLC.

"Engineer's Report" shall mean the Improvement Plan for the Cypress Bluff Community Development District dated July 30, 2018, as supplemented by the Supplemental Engineer's Report for the Series 2019 Capital Improvements dated January 2019, each as prepared by England, Thims & Miller, Inc.

"First Supplemental Indenture" shall mean this First Supplemental Trust Indenture dated as of January 1, 2019, by and between the Issuer and the Trustee, as supplemented or amended.

"Indenture" shall mean, collectively, the Master Indenture and this First Supplemental Indenture.

"Interest Payment Date" shall mean May 1 and November 1 of each year, commencing May 1, 2019.

"Landowner" shall mean Eastland Timber, LLC, a Florida limited liability company, and any affiliate or any entity which succeeds to its interests and assumes any or all of the responsibilities of said entity.

"Methodology Consultant" shall mean, initially, Government Management Services, LLC, or such successor Methodology Consultant appointed by the District.

"Parcel E-3a" shall mean that portion of the District Lands designated as parcel E-3a in the Assessment Methodology.

"Parcel E-5" shall mean that portion of the District Lands designated as parcel E-5 in the Assessment Methodology.

"Parcel E-7a" shall mean that portion of the District Lands designated as parcel E-7a in the Assessment Methodology.

"Parcel E-3a Project" shall mean the portion of the Capital Improvement Plan being developed on and benefitting Parcel E-3a and financed with proceeds of the Series 2019 Bonds on deposit in the Series 2019 Acquisition and Construction Subaccount – Parcel E-3a of the Series 2019 Acquisition and Construction Account.

"Parcel E-5 Project" shall mean the portion of the Capital Improvement Plan being developed on and benefitting Parcel E-5 and financed with proceeds of the Series 2019 Bonds on deposit in the Series 2019 Acquisition and Construction Subaccount – Parcel E-5 of the Series 2019 Acquisition and Construction Account.

"Parcel E-7a Project" shall mean the portion of the Capital Improvement Plan being developed on and benefitting Parcel E-7a and financed with proceeds of the Series 2019 Bonds on deposit in the Series 2019 Acquisition and Construction Subaccount – Parcel E-7a of the Series 2019 Acquisition and Construction Account.

"Paying Agent" shall mean the Trustee, and its successors and assigns as Paying Agent hereunder.

"Pledged Revenues" shall mean, with respect to the Series 2019 Bonds (a) all revenues received by the Issuer from the Series 2019 Special Assessments levied and collected on that portion of the District Lands benefited by the Series 2019 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2019 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2019 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; provided, however, that Pledged Revenues shall not include (A) any moneys transferred to the Rebate Fund, or investment earnings thereon, and (B) "special assessments" levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or "maintenance special assessments" levied and collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (A) and (B) of this proviso).

"Redemption Date" shall mean February 1, May 1, August 1 and November 1.

"Registrar" shall mean the Trustee, and its successors and assigns as Registrar hereunder.

"Regular Record Date" shall mean the fifteenth (15th) day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date.

"Resolution" shall mean, collectively, Resolution No. 2018-27 of the Issuer adopted on August 1, 2018, as supplemented by Resolution No. 2019-03 of the Issuer adopted on January 9, 2019.

"Series 2019 Acquisition and Construction Account" shall mean the Account so designated, established as a separate Account within the Acquisition and Construction Fund pursuant to Section 4.01(a) of this First Supplemental Indenture.

"Series 2019 Acquisition and Construction Subaccount – Parcel E-3a" shall mean the Account so designated, established as a separate Subaccount within the Series 2019 Acquisition and Construction Account pursuant to Section 4.01(a) of this First Supplemental Indenture.

"Series 2019 Acquisition and Construction Subaccount – Parcel E-5" shall mean the Account so designated, established as a separate Subaccount within the Series 2019 Acquisition and Construction Account pursuant to Section 4.01(a) of this First Supplemental Indenture.

"Series 2019 Acquisition and Construction Subaccount – Parcel E-7a" shall mean the Account so designated, established as a separate Subaccount within the Series 2019 Acquisition and Construction Account pursuant to Section 4.01(a) of this First Supplemental Indenture.

"Series 2019 Bond Redemption Fund" shall mean the Series 2019 Bond Redemption Fund established pursuant to Section 4.01(g) of this First Supplemental Indenture.

"Series 2019 Costs of Issuance Subaccount" shall mean the Account so designated, established as a separate Subaccount within the Series 2019 Acquisition and Construction Account pursuant to Section 4.01(a) of this First Supplemental Indenture.

"Series 2019 Debt Service Reserve Account" shall mean the Account so designated, established as a separate Account within the Debt Service Reserve Fund pursuant to Section 4.01(f) of this First Supplemental Indenture.

"Series 2019 Debt Service Reserve Requirement" shall mean, an amount equal to [_____] percent ([_]%) of the maximum annual Debt Service Requirement for the Series 2019 Bonds as of any date of calculation as provided for herein, which initially is \$[_____].

"Series 2019 General Account" shall mean the Account so designated, established as a separate Account under the Series 2019 Bond Redemption Fund pursuant to Section 4.01(g) of this First Supplemental Indenture.

"Series 2019 Interest Account" shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(d) of this First Supplemental Indenture.

"Series 2019 Lands" shall mean that portion of the District Lands subject to the lien of the Series 2019 Special Assessments.

"Series 2019 Prepayment" shall mean the payment by any owner of property of the amount of Series 2019 Special Assessments encumbering its property, in whole or in part, prior to its scheduled due date, including optional prepayments and prepayments which become due pursuant to the "true-up" mechanism contained in the Assessment Resolutions and the True-Up Agreement. "Prepayments" shall include, without limitation, Series 2019 Prepayment Principal.

"Series 2019 Prepayment Account" shall mean the Account so designated, established as a separate Account under the Series 2019 Bond Redemption Fund pursuant to Section 4.01(g) of this First Supplemental Indenture.

"Series 2019 Prepayment Principal" shall mean the portion of a Prepayment corresponding to the principal amount of Series 2019 Special Assessments being prepaid.

"Series 2019 Principal Account" shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(c) of this First Supplemental Indenture.

"Series 2019 Project" shall mean, collectively, the Parcel E-3a Project, the Parcel E-5 Project, and Parcel E-7a Project.

"Series 2019 Revenue Account" shall mean the Account so designated, established as a separate Account within the Revenue Fund pursuant to Section 4.01(b) of this First Supplemental Indenture.

"Series 2019 Sinking Fund Account" shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(e) of this First Supplemental Indenture.

"Series 2019 Special Assessments" shall mean the Special Assessments levied on that portion of the District Lands specially benefitted by the Series 2019 Project or any portion thereof, which assessments correspond in amount to the debt service on the Series 2019 Bonds.

"Substantially Absorbed" shall mean the date on which a principal amount of the Series 2019 Special Assessments equaling at least ninety percent (90%) of the then Outstanding principal amount of the Series 2019 Bonds are levied on the District Lands with respect to which a certificate of occupancy has been issued for a structure thereon. Satisfaction of the foregoing definition shall be evidenced by the delivery by the Issuer to the Trustee of a written certificate

of the Methodology Consultant to such effect and upon which the Trustee may conclusively rely.

"True-Up Agreement" shall mean, collectively, the [True-Up Agreement] between the District and the Developer, dated [_____] 20[___], and the [True-Up Agreement] between the District and the Landowner, dated [_____] 20[___].

"Trustee" shall mean The Bank of New York Mellon Trust Company, N.A., a national banking association, and its successors and assigns.

"Uniform Method" shall mean the uniform method for the levy, collection and enforcement of Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, as amended.

The words "hereof," "herein," "hereto," "hereby," and "hereunder" (except in the forms of Series 2019 Bonds), refer to the entire Indenture.

Every "request," "requisition," "order," "demand," "application," "notice," "statement," "certificate," "consent," or similar action hereunder by the Issuer shall, unless the form or execution thereof is otherwise specifically provided, be in writing signed by a Responsible Officer of the Issuer.

All words and terms importing the singular number shall, where the context requires, import the plural number and vice versa.

ARTICLE II. THE SERIES 2019 BONDS

SECTION 2.01 Amounts and Terms of Series 2019 Bonds; Issue of Series 2019 Bonds. No Series 2019 Bonds may be issued under this First Supplemental Indenture except in accordance with the provisions of this Article and Articles II and III of the Master Indenture.

(a) The total principal amount of Series 2019 Bonds that may be issued under this First Supplemental Indenture is expressly limited to \$[_____]. The Series 2019 Bonds shall be numbered consecutively from R-1 and upwards.

(b) Any and all Series 2019 Bonds shall be issued substantially in the form attached as **Exhibit C** to the Master Indenture, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture and with such additional changes as may be necessary or appropriate to conform to the provisions of the Resolution and this First Supplemental Indenture. The Issuer shall issue the Series 2019 Bonds upon execution of this First Supplemental Indenture and satisfaction of the requirements of Section 3.01 of the Master Indenture; and the Trustee shall, at the Issuer's written request, authenticate such Series 2019 Bonds and deliver them as specified in the request.

SECTION 2.02 Execution. The Series 2019 Bonds shall be executed by the Issuer as set forth in the Master Indenture.

SECTION 2.03 Authentication. The Series 2019 Bonds shall be authenticated as set forth in the Master Indenture. No Series 2019 Bond shall be valid until the certificate of authentication shall have been duly executed by the Trustee, as provided in the Master Indenture.

SECTION 2.04 Purpose, Designation and Denominations of, and Interest Accruals on, the Series 2019 Bonds.

(a) The Series 2019 Bonds are being issued hereunder in order to provide funds to (i) pay the Costs of the Series 2019 Project, (ii) fund the Series 2019 Debt Service Reserve Account, and (iii) pay the costs of issuance of the Series 2019 Bonds. The Series 2019 Bonds shall be designated "Cypress Bluff Community Development District (Duval County, Florida) Special Assessment Bonds, Series 2019," and shall be issued as fully registered bonds without coupons in Authorized Denominations.

(b) The Series 2019 Bonds shall be dated the date of original issuance thereof. Interest on the Series 2019 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2019 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to May 1, 2019, in which case from the date of original issuance of the Series 2019 Bonds, or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date.

(c) Except as otherwise provided in Section 2.07 of this First Supplemental Indenture in connection with a book-entry only system of registration of the Series 2019 Bonds, the principal or Redemption Price of the Series 2019 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent upon presentation of such Series 2019 Bonds. Except as otherwise provided in Section 2.07 of this First Supplemental Indenture in connection with a book-entry only system of registration of the Series 2019 Bonds, the payment of interest on the Series 2019 Bonds shall be made on each Interest Payment Date to the Owners of the Series 2019 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Owner as such Owner appears on the Bond Register maintained by the Registrar as of the close of business on the Regular Record Date, at his address as it appears on the Bond Register. Any interest on any Series 2019 Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Series 2019 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of

such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5th) day prior to such mailing, at his address as it appears in the Bond Register not less than ten (10) days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Series 2019 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Paying Agent, upon requesting the same in a writing received by the Paying Agent at least fifteen (15) days prior to the relevant Interest Payment Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Paying Agent at least fifteen (15) days prior to the relevant Interest Payment Date.

SECTION 2.05 Debt Service on the Series 2019 Bonds.

(a) The Series 2019 Bonds will mature on May 1 in the years, be issued in the principal amounts and bear interest at the rates per annum, subject to the right of prior redemption in accordance with their terms, as follows.

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
	\$	%

(b) Interest on the Series 2019 Bonds will be computed in all cases on the basis of a 360-day year comprised of twelve 30-day months. Interest on overdue principal and, to the extent lawful, on overdue interest will be payable at the numerical rate of interest borne by the Series 2019 Bonds on the day before the default occurred.

SECTION 2.06 Disposition of Series 2019 Bond Proceeds. From the net proceeds of the Series 2019 Bonds received by the Trustee, which shall be \$[_____] (reflecting the aggregate principal amount of the Series 2019 Bonds of \$[_____] less an underwriter's discount of \$[_____] and retained by the purchaser of the Series 2019 Bonds);

(a) \$[_____] , which is an amount equal to the initial Series 2019 Debt Service Reserve Requirement, shall be deposited in the Series 2019 Debt Service Reserve Account of the Debt Service Reserve Fund;

(b) \$[_____] shall be deposited into the Series 2019 Costs of Issuance Subaccount of the Series 2019 Acquisition and Construction Account and applied to pay costs of issuance of the Series 2019 Bonds;

(c) \$[_____] shall be deposited into the Series 2019 Acquisition and Construction Subaccount – Parcel E-3a of the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund to be applied to pay Costs of the Parcel E-3a Project in accordance with Article V of the Master Indenture.

(d) \$[_____] shall be deposited into the Series 2019 Acquisition and Construction Subaccount – Parcel E-5 of the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund to be applied to pay Costs of the Parcel E-5 Project in accordance with Article V of the Master Indenture.

(e) \$[_____] , constituting all remaining proceeds of the Series 2019 Bonds, shall be deposited in the Series 2019 Acquisition and Construction Subaccount – Parcel E-7a of the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund to be applied to pay Costs of the Parcel E-7a Project in accordance with Article V of the Master Indenture.

SECTION 2.07 Book-Entry Form of Series 2019 Bonds. The Series 2019 Bonds shall be issued as one fully registered bond per maturity and deposited with The Depository Trust Company, New York, New York ("DTC"), which is responsible for establishing and maintaining records of ownership for its participants.

The Issuer shall enter into a letter of representations with DTC providing for such book-entry only system, in accordance with the provisions of Section 2.11 of the Master Indenture. Such agreement may be terminated at any time by either DTC or the Issuer. In the event of such termination, the Issuer shall select another securities depository. If the Issuer does not replace DTC within sixty (60) days of such termination and, in all instances, prior to the next Interest Payment Date, the Trustee will, at the expense of the Issuer, register and deliver to the Beneficial Owners replacement Series 2019 Bonds in the form of fully registered Series 2019 Bonds in accordance with the instructions from Cede & Co. While the Series 2019 Bonds are registered in book-entry only, presentation of the Series 2019 Bonds is not necessary for payment thereon.

SECTION 2.08 Appointment of Registrar and Paying Agent. The Issuer shall keep, at the designated corporate trust office of the Registrar, books (the "Bond Register") for the registration, transfer and exchange of the Series 2019 Bonds, and hereby appoints the Trustee, as its Registrar to keep such books and make such registrations, transfers, and exchanges as required hereby. The Trustee hereby accepts its appointment as Registrar and its duties and responsibilities as Registrar hereunder. Registrations, transfers and exchanges shall be without charge to the Bondholder requesting such registration, transfer or exchange, but such Bondholder shall pay any taxes or other governmental charges on all registrations, transfers and exchanges.

The Issuer hereby appoints the Trustee as Paying Agent for the Series 2019 Bonds. The Trustee hereby accepts its appointment as Paying Agent and its duties and responsibilities as Paying Agent hereunder.

SECTION 2.09 Conditions Precedent to the Issuance of the Series 2019 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2019 Bonds, all the Series 2019 Bonds shall be executed by the Issuer for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Issuer or upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copies of the Assessment Resolutions;
- (b) Executed originals of the Master Indenture and this First Supplemental Indenture;
- (c) An opinion of Counsel to the District addressed to the District and the Trustee substantially to the effect that (i) the Issuer has been duly established and validly exists as a community development district under the Act, (ii) the Issuer has good right and lawful authority under the Act to undertake the Series 2019 Project being financed with the proceeds of the Series 2019 Bonds, subject to obtaining such licenses, orders or other authorizations as are, at the date of such opinion, required to be obtained from any agency or regulatory body having lawful jurisdiction in order to construct, acquire, own and operate the Series 2019 Project, (iii) all proceedings undertaken by the Issuer with respect to the Series 2019 Special Assessments have been in accordance with Florida law, (iv) the Issuer has taken all action necessary to levy and impose the Series 2019 Special Assessments, and (v) the Series 2019 Special Assessments are legal, valid and binding liens upon the property against which such Series 2019 Special Assessments are made, coequal with the lien of all state, county, district and municipal taxes, superior in dignity to all other liens, titles and claims, until paid;
- (d) A certificate of a Responsible Officer to the effect that, upon the authentication and delivery of the Series 2019 Bonds, the Issuer will not be in default in the performance of the terms and provisions of the Master Indenture or this First Supplemental Indenture;

(e) Executed copies of the Acquisition Agreement, Collateral Assignment, and True-Up Agreement.

Delivery to the Trustee of the net proceeds from the issuance and sale of the Series 2019 Bonds is conclusive evidence of the satisfaction of conditions precedent for authentication of the Series 2019 Bonds.

ARTICLE III.

REDEMPTION OF SERIES 2019 BONDS

SECTION 3.01 Redemption Dates and Prices. The Series 2019 Bonds shall be subject to redemption at the times and in the manner provided in Article VIII of the Master Indenture and in this Article III. All payments of the Redemption Price of the Series 2019 Bonds shall be made on the dates hereinafter required. If less than all the Series 2019 Bonds are to be redeemed pursuant to an optional redemption or an extraordinary mandatory redemption, the portions of the Series 2019 Bonds to be redeemed shall be selected as provided in Section 8.03 of the Master Indenture unless specifically provided herein. Partial redemptions of Series 2019 Bonds shall be made in such a manner that the remaining Series 2019 Bonds held by each Bondholder shall be in Authorized Denominations, except for the last remaining Series 2019 Bond of each maturity.

(a) Optional Redemption. The Series 2019 Bonds may, at the option of the Issuer in writing, be called for redemption prior to maturity in whole or in part at any time on or after November 1, 20[___] (less than all Series 2019 Bonds to be specified by the Issuer in writing), at a Redemption Price equal to 100% of the principal amount of Series 2019 Bonds to be redeemed plus accrued interest from the most recent Interest Payment Date to the date of redemption.

(b) Extraordinary Mandatory Redemption in Whole or in Part. The Series 2019 Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole, on any date, or in part, on any Redemption Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2019 Bonds to be redeemed, plus interest accrued to the date of redemption, as follows:

(i) from Series 2019 Prepayments deposited into the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund following the payment in whole or in part of Series 2019 Special Assessments on any portion of the Series 2019 Lands in accordance with the provisions of Section 4.05(a) of this First Supplemental Indenture, including any excess moneys transferred from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund resulting from such Series 2019 Prepayment pursuant to Section 4.01(f)(ii) of this First Supplemental Indenture.

(ii) on or after the Completion Date of the Series 2019 Project, by application of moneys remaining in the Series 2019 Acquisition and Construction

Account of the Acquisition and Construction Fund not reserved by the Issuer for the payment of any remaining part of the Cost of the Series 2019 Project, which has been transferred as specified in Section 4.01(a) hereof to the Series 2019 General Account of the Series 2019 Bond Redemption Fund, credited toward extinguishment of the Series 2019 Special Assessments and applied toward the redemption of the Series 2019 Bonds in accordance with the manner it has credited such excess moneys toward extinguishment of Series 2019 Special Assessments which the Issuer shall describe to the Trustee in writing.

(iii) following condemnation or the sale of any portion of the Series 2019 Project to a governmental entity under threat of condemnation by such governmental entity and the payment of moneys which are not to be used to rebuild, replace or restore the taken portion of the Series 2019 Project to the Trustee by or on behalf of the Issuer for deposit into the Series 2019 General Account of the Series 2019 Bond Redemption Fund in order to effectuate such redemption and, which moneys shall be applied by the Issuer to redeem Series 2019 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2019 Special Assessments which the Issuer shall describe to the Trustee in writing.

(iv) following the damage or destruction of all or substantially all of the Series 2019 Project to such extent that, in the reasonable opinion of the Issuer, the repair and restoration thereof would not be economical or would be impracticable, to the extent of amounts paid by the Issuer to the Trustee for deposit to the Series 2019 General Account of the Series 2019 Bond Redemption Fund which moneys shall be applied by the Issuer to redeem Series 2019 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2019 Special Assessments; provided, however, that at least forty-five (45) days prior to such extraordinary mandatory redemption, the Issuer shall cause to be delivered to the Trustee (x) notice setting forth the date of redemption and (y) a certificate of the Consulting Engineer confirming that the repair and restoration of the Series 2019 Project would not be economical or would be impracticable, such certificate upon which the Trustee shall be entitled to rely.

(v) from moneys, if any, on deposit in the Series 2019 Funds and Accounts (other than the Rebate Fund) sufficient to pay and redeem all Outstanding Series 2019 Bonds and accrued interest thereon to the date of redemption in addition to all amounts owed to Persons under the Indenture.

(vi) on February 1, 2020, from amounts transferred to the Series 2019 General Account of the Series 2019 Bond Redemption Fund from the Series 2019 Acquisition and Construction Subaccount – Parcel E-3a of the Series 2019 Acquisition and Construction Account and from any applicable true-up payment as provided in Section 4.01(a) of this First Supplemental Indenture.

(vii) on August 1, 2019, from amounts transferred to the Series 2019 General Account of the Series 2019 Bond Redemption Fund from the Series 2019 Acquisition and Construction Subaccount – Parcel E-5 of the Series 2019 Acquisition and Construction Account and from any applicable true-up payment as provided in Section 4.01(a) of this First Supplemental Indenture.

(viii) on August 1, 2019, from amounts transferred to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund from the Series 2019 Acquisition and Construction Subaccount – Parcel E-7a of the Series 2019 Acquisition and Construction Account and from any applicable true-up payment as provided in Section 4.01(a) of this First Supplemental Indenture.

(c) Mandatory Sinking Fund Redemption. The Series 2019 Bond maturing on May 1, 20[___], is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

Year (May 1)	Sinking Fund Installment
	\$

*Final Maturity

The Series 2019 Bond maturing on May 1, 20[___], is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

Year (May 1)	Sinking Fund Installment	Year (May 1)	Sinking Fund Installment
	\$		\$

*Final Maturity

The Series 2019 Bond maturing on May 1, 20[___], is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

Year (May 1)	Sinking Fund Installment	Year (May 1)	Sinking Fund Installment
	\$		\$

*Final Maturity

The Series 2019 Bond maturing on May 1, 20[___], is subject to mandatory redemption in part by the Issuer by lot prior to its scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

Year (May 1)	Sinking Fund Installment	Year (May 1)	Sinking Fund Installment
	\$		\$

*Final Maturity

SECTION 3.02 Notice of Redemption. When required to redeem Series 2019 Bonds under any provision of this First Supplemental Indenture or directed to redeem Series 2019 Bonds by the Issuer, the Trustee shall give or cause to be given to Owners of the Series 2019 Bonds to be redeemed notice of the redemption, as set forth in Section 8.02 of the Master Indenture.

ARTICLE IV.I ESTABLISHMENT OF CERTAIN FUNDS AND ACCOUNTS;

ADDITIONAL COVENANTS OF THE ISSUER; PREPAYMENTS; REMOVAL OF SPECIAL
ASSESSMENT LIENS

SECTION 4.01 Establishment of Certain Funds and Accounts.

(a) The Trustee shall establish a separate Account within the Acquisition and Construction Fund designated as the "Series 2019 Acquisition and Construction Account," and within such Account, three Subaccounts designated as the "Series 2019 Acquisition and Construction Subaccount – Parcel E-3a," the "Series 2019 Acquisition and Construction Subaccount – Parcel E-5," and the "Series 2019 Acquisition and Construction Subaccount – Parcel E-7a." Proceeds of the Series 2019 Bonds shall be deposited into the Series 2019 Acquisition and Construction Account and the Subaccounts therein in the amounts set forth in Section 2.06 of this First Supplemental Indenture, together with any excess moneys transferred to the Series 2019 Acquisition and Construction Account. Such moneys in the subaccounts of the Series 2019 Acquisition and Construction Account shall be applied as set forth in Article V of the Master Indenture and Sections 4.01(a) and 3.01(b)(ii) of this First Supplemental Indenture to pay costs to acquire and construct the respective portion of the Series 2019 Project. Each requisition shall indicate which subaccount of the Series 2019 Acquisition and Construction Subaccount the funds are to be drawn from, such form of requisition is attached hereto as **Exhibit B**. After the Completion Date of the respective portion of the Series 2019 Project and after retaining in the respective subaccount of the Series 2019 Acquisition and Construction Account the amount, if any, of all remaining unpaid Costs of any portion of the respective portion of the Series 2019 Project set forth in the Consulting Engineer's Certificate establishing such Completion Date, any funds remaining in the respective subaccount of the Series 2019 Acquisition and Construction Account shall be transferred to and deposited into the Series 2019 General Account of the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds, and the respective subaccount of the Series 2019 Acquisition and Construction Account shall be closed.

Amounts on deposit in the Series 2019 Acquisition and Construction Subaccount – Parcel E-3a of the Series 2019 Acquisition and Construction Account shall be retained therein and shall not be available to pay Costs of the Parcel E-3a Project, unless and until the District has delivered to the Trustee a certificate, on which the Trustee may conclusively rely, to the effect that the sale of Parcel E-3a has closed, at which time proceeds on deposit in the Series 2019 Acquisition and Construction Subaccount – Parcel E-3a of the Series 2019 Acquisition and Construction Account shall be made available to the District to pay costs of the Parcel E-3a Project. If on [December 15, 2019] the District has not received notice from the Landowner that the sale of Parcel E-3a has closed, any amount remaining in the Series 2019 Acquisition and Construction Subaccount – Parcel E-3a of the Series 2019 Acquisition and Construction Account shall be transferred to and deposited in the Series 2019 General Account of the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds as prescribed herein.

Amounts on deposit in the Series 2019 Acquisition and Construction Subaccount – Parcel E-5 of the Series 2019 Acquisition and Construction Account shall be retained therein and shall not be available to pay Costs of the Parcel E-5 Project, unless and until the District has delivered to the Trustee a certificate, on which the Trustee may conclusively rely, to the effect that the sale of Parcel E-5 has closed, at which time proceeds on deposit in the Series 2019 Acquisition and Construction Subaccount – Parcel E-5 of the Series 2019 Acquisition and Construction Account shall be made available to the Developer to pay costs of the Parcel E-5 Project. If on [June 15, 2019] the District has not received notice from the Landowner that the sale of Parcel E-5 has closed, any amount remaining in the Series 2019 Acquisition and Construction Subaccount – Parcel E-5 of the Series 2019 Acquisition and Construction Account shall be transferred to and deposited in the Series 2019 General Account of the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds as prescribed herein.

Amounts on deposit in the Series 2019 Acquisition and Construction Subaccount – Parcel E-7a of the Series 2019 Acquisition and Construction Account shall be retained therein and shall not be available to pay Costs of the Parcel E-7a Project, unless and until the District has delivered to the Trustee a certificate, on which the Trustee may conclusively rely, to the effect that the sale of Parcel E-7a has closed, at which time proceeds on deposit in the Series 2019 Acquisition and Construction Subaccount – Parcel E-7a of the Series 2019 Acquisition and Construction Account shall be made available to the Developer to pay costs of the Parcel E-7a Project. If on [June 15, 2019] the District has not received notice from the Landowner that the sale of Parcel E-7a has closed, any amount remaining in the Series 2019 Acquisition and Construction Subaccount – Parcel E-7a of the Series 2019 Acquisition and Construction Account shall be transferred to and deposited in the Series 2019 General Account of the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds as prescribed herein.

There is hereby established within the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund held by the Trustee a "Series 2019 Costs of Issuance Subaccount." Amounts in the Series 2019 Costs of Issuance Subaccount shall be applied by the Trustee to pay the costs relating to the issuance of the Series 2019 Bonds. Six months after the date of issuance of the Series 2019 Bonds, any moneys remaining in the Series 2019 Costs of Issuance Subaccount which have not been requisitioned by the Issuer to pay costs relating to the issuance of the Series 2019 Bonds shall be deposited into the Series 2019 Acquisition and Construction Account and applied as set forth in Article V of the Master Indenture and Section 4.01(a) of this First Supplemental Indenture, and the Series 2019 Costs of Issuance Subaccount shall be closed.

(b) Pursuant to Section 6.03 of the Master Indenture, the Trustee shall establish a separate Account within the Revenue Fund designated as the "Series 2019 Revenue Account." Series 2019 Special Assessments (except for Series 2019 Prepayments which shall be identified as such by the Issuer to the Trustee to be deposited in the Series 2019 Prepayment Account) shall be deposited by the Trustee into the Series 2019 Revenue Account which shall be

applied as set forth in Article VI of the Master Indenture and Section 4.02 of this First Supplemental Indenture.

(c) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2019 Principal Account." Moneys shall be deposited into such Account as provided in Article VI of the Master Indenture and Section 4.02 of this First Supplemental Indenture, and applied for the purposes provided therein.

(d) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2019 Interest Account." Proceeds of the Series 2019 Bonds shall be deposited into such Account in the amount set forth in Section 2.06(c) of this First Supplemental Indenture. Moneys deposited into such Account pursuant to the Master Indenture and Section 4.02 of this First Supplemental Indenture, shall be applied for the purposes provided therein.

(e) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2019 Sinking Fund Account." Moneys shall be deposited into such Account as provided in Article VI of the Master Indenture and Section 4.02 of this First Supplemental Indenture and applied for the purposes provided therein and in Sections 3.01(c) of this First Supplemental Indenture.

(f) Pursuant to Section 6.05 of the Master Indenture, the Trustee shall establish an Account within the Debt Service Reserve Fund designated as the "Series 2019 Debt Service Reserve Account."

(i) Proceeds of the Series 2019 Bonds shall be deposited into the Series 2019 Debt Service Reserve Account in the amount set forth in Section 2.06(a) of this First Supplemental Indenture, which account will be held for the benefit of all of the Series 2019 Bonds, without privilege or priority of one Series 2019 Bond over another, and such moneys, together with any other moneys deposited into such Account pursuant to the Master Indenture, shall be applied for the purposes provided therein and in this Section 4.01(f). On each March 15, June 15, September 15 and December 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amounts on deposit in the Series 2019 Debt Service Reserve Account and transfer any excess therein (except for excess resulting from interest earnings as provided in Section 4.01(f)(iv) below, excess resulting from failure of receipt of notice by the Trustee from the District as provided in Section 4.01(f)(iii) below, and excess resulting from Prepayments as provided in Section 4.01(f)(ii) below) above the Series 2019 Debt Service Reserve Requirement, as follows: (A) prior to the Completion Date of the Series 2019 Project, to the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund, and (B) on and after the Completion Date of the Series 2019 Project, such amounts shall be transferred to the Series 2019 Revenue Account.

(ii) Notwithstanding the foregoing paragraph, so long as no Event of Default has occurred and has not been cured, upon an optional prepayment by the owner of a lot or parcel of land of a Series 2019 Special Assessment against such lot or parcel as provided in Section 4.05(a) of this First Supplemental Indenture, the District, on March 15, June 15, September 15 and December 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), shall determine the Series 2019 Debt Service Reserve Requirement, taking into account such optional prepayment and shall direct the Trustee in writing to transfer any amount on deposit in the Series 2019 Debt Service Reserve Account in excess of the Series 2019 Debt Service Reserve Requirement (except for excess resulting from interest earnings) from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund, as a credit against the Series 2019 Prepayment otherwise required to be made by the owner of such lot or parcel.

(iii) (A) In the event that notice is not received by the Trustee from the District pursuant to the provisions of Section 4.01(a) hereof, the portion of the Series 2019 Bonds relating to the Parcel E-3a Project are subject to redemption on [February 1, 2020]. On [December 15, 2019] (or, if such date is not a Business Day, on the Business Day next preceding such day), the District shall determine the Series 2019 Debt Service Reserve Requirement, taking into account the extraordinary mandatory redemption of the Series 2019 Bonds related to the Parcel E-3a Project, and shall direct the Trustee in writing to transfer any amount on deposit in the Series 2019 Debt Service Reserve Account in excess of the Series 2019 Debt Service Reserve Requirement (except for excess resulting from interest earnings) from the Series 2019 Debt Service Reserve Account to the Series 2019 General Account of the Series 2019 Bond Redemption Fund.

(B) In the event that notice is not received by the Trustee from the District pursuant to the provisions of Section 4.01(a) hereof, the portion of the Series 2019 Bonds relating to the Parcel E-5 Project are subject to redemption on [August 1, 2019]. On [June 15, 2019] (or, if such date is not a Business Day, on the Business Day next preceding such day), the District shall determine the Series 2019 Debt Service Reserve Requirement, taking into account the extraordinary mandatory redemption of the Series 2019 Bonds related to the Parcel E-5 Project, and shall direct the Trustee in writing to transfer any amount on deposit in the Series 2019 Debt Service Reserve Account in excess of the Series 2019 Debt Service Reserve Requirement (except for excess resulting from interest earnings) from the Series 2019 Debt Service Reserve Account to the Series 2019 General Account of the Series 2019 Bond Redemption Fund.

(C) In the event that notice is not received by the Trustee from the District pursuant to the provisions of Section 4.01(a) hereof, the portion of the Series 2019 Bonds relating to the Parcel E-7a Project are subject to redemption on [August 1, 2019]. On [June 15, 2019] (or, if such date is not a Business Day, on the

Business Day next preceding such day), the District shall determine the Series 2019 Debt Service Reserve Requirement, taking into account the extraordinary mandatory redemption of the Series 2019 Bonds related to the Parcel E-7a Project, and shall direct the Trustee in writing to transfer any amount on deposit in the Series 2019 Debt Service Reserve Account in excess of the Series 2019 Debt Service Reserve Requirement (except for excess resulting from interest earnings) from the Series 2019 Debt Service Reserve Account to the Series 2019 General Account of the Series 2019 Bond Redemption Fund. **[NTD: Confirm that Construction Accounts will have enough interest through the break date in the case of extraordinary mandatory redemption]**

(iv) Earnings on investments in the Series 2019 Debt Service Reserve Account shall be disposed of as follows:

(A) If as of the last date on which amounts on deposit in the Series 2019 Debt Service Reserve Account were valued by the Trustee there was a deficiency in the Series 2019 Debt Service Reserve Account, or if after such date withdrawals have been made from the Series 2019 Debt Service Reserve Account and have created such a deficiency, then earnings on investments in the Series 2019 Debt Service Reserve Account shall be deposited to the credit of the Series 2019 Debt Service Reserve Account until the amounts on deposit therein equal the Series 2019 Debt Service Reserve Requirement; and

(B) As long as no notice of an Event of Default under the Indenture has been delivered to the Trustee or if such Event of Default described in a notice has been cured or waived as provided in the Master Indenture, and the amount in the Series 2019 Debt Service Reserve Account is not reduced below the then Series 2019 Debt Service Reserve Requirement, then earnings on investments in such Account shall be applied as follows: (x) prior to the Completion Date of the Series 2019 Project, on a pro rata basis to the Series 2019 Acquisition and Construction Subaccount – Parcel E-3a, the Series 2019 Acquisition and Construction Subaccount – Parcel E-5 and the Series 2019 Acquisition and Construction Subaccount – Parcel E-7a of the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund, and (y) on and after the Completion Date of all of the components of the Series 2019 Project, to the Series 2019 Revenue Account of the Revenue Fund. Upon the occurrence and continuance of an Event of Default, earnings on investments in the Series 2019 Debt Service Reserve Account shall remain therein.

(g) Pursuant to Section 6.06 of the Master Indenture, the Trustee shall establish a separate Series Bond Redemption Fund designated as the "Series 2019 Bond Redemption Fund" and within such Fund, a "Series 2019 General Account" and a "Series 2019 Prepayment Account." Except as otherwise provided in this First Supplemental Indenture,

moneys to be deposited into the Series 2019 Bond Redemption Fund, as provided in Article VI of the Master Indenture shall be deposited to the Series 2019 General Account of the Series 2019 Bond Redemption Fund. Series 2019 Prepayments shall be identified as such by the Issuer to the Trustee to then be deposited directly into the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund, as provided in the Indenture.

(h) (i) Moneys in the Series 2019 General Account (including all earnings on investments held therein) shall be accumulated therein to be used in the following order of priority, to the extent that the need therefor arises:

FIRST, to make such deposits into the Rebate Fund for the Series 2019 Bonds, if any, as the Issuer may direct in writing in accordance with the Arbitrage Certificate, such moneys thereupon to be used solely for the purposes specified in the Arbitrage Certificate. Any moneys so transferred from the Series 2019 General Account to the Rebate Fund shall thereupon be free from the lien and pledge of the Indenture;

SECOND, to be used to call for redemption pursuant to Section 3.01(b)(ii), (iii), (iv), (v),(vi), (vii) and (viii) hereof an amount of Series 2019 Bonds equal to the amount of money transferred to the Series 2019 General Account pursuant to the aforesaid clauses or provisions, as appropriate, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in such clauses or provisions, as appropriate; and

THIRD, the remainder to be utilized by the Trustee, at the written direction of a Responsible Officer, to call for redemption such Series 2019 Bonds that are subject to optional redemption pursuant to Section 3.01(a) hereof such amount of Series 2019 Bonds as, with the redemption premium, may be practicable; provided, however, that not less than \$5,000 principal amount of Bonds shall be called for redemption at one time.

(ii) Moneys in the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund (including all earnings on investments therein) shall be accumulated therein to be used to call for redemption pursuant to Section 3.01(b)(i), hereof an amount of Series 2019 Bonds equal to the amount of money transferred to the Series 2019 Prepayment Account pursuant to the aforesaid provision, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in Section 3.01(b)(i) hereof.

SECTION 4.02 Series 2019 Revenue Account. The Trustee shall transfer from amounts on deposit in the Series 2019 Revenue Account of the Revenue Fund to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, not later than the Business Day preceding each May 1 and November 1, to the Series 2019 Interest Account of the Debt Service Fund, an amount equal to the

interest on the Series 2019 Bonds due on such May 1 or November 1, less any amounts on deposit in the Series 2019 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each May 1, to the Series 2019 Principal Account of the Debt Service Fund, an amount equal to the principal amount of Series 2019 Bonds Outstanding and maturing on such May 1, if any, less any amounts on deposit in the Series 2019 Principal Account not previously credited;

THIRD, no later than the Business Day next preceding each May 1, to the Series 2019 Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Series 2019 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2019 Sinking Fund Account not previously credited;

FOURTH, upon receipt but no later than the Business Day next succeeding each Interest Payment Date, to the Series 2019 Debt Service Reserve Account an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2019 Debt Service Reserve Requirement;

FIFTH, notwithstanding the foregoing, at any time the Series 2019 Bonds are subject to redemption on a date which is not a May 1 or November 1 Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2019 Interest Account the amount necessary to pay interest on the Series 2019 Bonds subject to redemption on such date; and

SIXTH, subject to the following paragraph, the balance of any moneys remaining after making the foregoing deposits shall remain in the Series 2019 Revenue Account unless pursuant to the Arbitrage Certificate it is necessary to make a deposit into the Rebate Fund, in which case the Issuer shall direct the Trustee in writing to make such deposit thereto.

On or after each November 2, the Trustee shall transfer to the Issuer, at the Issuer's written direction, the balance on deposit in the Series 2019 Revenue Account on such November 2 to be used for any lawful purpose of the Issuer; provided, however, that on the date of such proposed transfer the amount on deposit in the Series 2019 Debt Service Reserve Account shall be equal to the Series 2019 Debt Service Reserve Requirement and, provided, further, that no notice of an Event of Default under the Indenture has been delivered to the Trustee, including the payment of Trustee's fees and expenses then due.

SECTION 4.03 Power to Issue Series 2019 Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Series 2019 Bonds, to execute and deliver the Indenture and to pledge the Pledged Revenues for the benefit of the Series 2019 Bonds to the extent set forth herein. The Pledged Revenues are not and shall not be subject to any other lien senior to or on a parity with the lien created in favor of the Series 2019 Bonds, except for Bonds issued to refund all or a portion of the Series 2019 Bonds. The Series 2019 Bonds and the provisions of the Indenture are and will be valid and legally enforceable obligations of the Issuer in accordance with their respective terms. The Issuer shall, at all times, to the extent permitted by law, defend, preserve and protect the pledge created by the Indenture and all the rights of the Owners of the Series 2019 Bonds under the Indenture against all claims and demands of all persons whomsoever.

SECTION 4.04 Series 2019 Project to Conform to Plans and Specifications; Changes. The Issuer will proceed to complete the Series 2019 Project, as described in the Engineer's Report, in accordance with the plans and specifications therefor, as such plans and specifications may be amended by the Issuer from time to time; provided that prior to any such amendment of the plans and specifications for the Series 2019 Project, the Consulting Engineer shall have delivered its certificate approving the proposed amendment to such plans and specifications.

SECTION 4.05 Prepayments; Removal of Special Assessment Liens.

(a) At any time any owner of property subject to the Series 2019 Special Assessments may, at its option, or under certain circumstances described in the Assessment Resolutions in connection with Prepayments derived from application of the "true-up" mechanism therein, require the Issuer to reduce or release and extinguish the lien upon its property by virtue of the levy of the Series 2019 Special Assessments by paying to the Issuer all or a portion of the Series 2019 Special Assessment which shall constitute Series 2019 Prepayments as directed in writing by the Issuer pursuant to the provisions of Section 4.01(h)(ii) of this First Supplemental Indenture, plus accrued interest to the next succeeding Redemption Date (or the second succeeding Redemption Date if such prepayment is made within forty-five (45) calendar days before a Redemption Date), attributable to the property subject to Series 2019 Special Assessment owned by such owner; provided, however, to the extent that such payments are to be used to redeem Series 2019 Bonds in the event the amount in the Series 2019 Debt Service Reserve Account will exceed the Series 2019 Debt Service Reserve Requirement as a result of a Series 2019 Prepayment in accordance with this Section 4.05(a) and the resulting redemption in accordance with Section 3.01(b)(i) of this First Supplemental Indenture of Series 2019 Bonds, the excess amount above the Series 2019 Debt Service Reserve Requirement shall be transferred from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund, as a credit against the Series 2019 Prepayment otherwise required to be paid by the owner of such lot or parcel, upon written instructions of the Issuer together with a certificate of a Responsible Officer of the Issuer stating that, after giving effect to such transfers sufficient moneys will be on deposit in the Series 2019 Debt Service Reserve Account to equal or exceed the Series 2019 Debt Service Reserve Requirement and accompanied by cash flows which demonstrate that, after giving effect to the proposed

redemption of Series 2019 Bonds, there will be sufficient Pledged Revenues to pay the principal and interest, when due, on all Series 2019 Bonds that will remain Outstanding. The written instructions shall be delivered to the Trustee on or prior to the 46th day prior to a Redemption Date.

(b) Upon receipt of Series 2019 Prepayments as described in paragraph (a) above, which includes accrued interest to the next succeeding Redemption Date (or the second succeeding Redemption Date if such prepayment is made within forty-five (45) calendar days before a Redemption Date), subject to satisfaction of the conditions set forth therein, the Issuer shall immediately pay the amount so received to the Trustee and clearly identify in writing such amounts as a Series 2019 Prepayment and the Issuer shall take such action as is necessary to record in the official records of the County an affidavit or affidavits, as the case may be, executed by the District Manager, to the effect that the Series 2019 Special Assessment has been paid in whole or in part and that such Series 2019 Special Assessment lien is thereby reduced, or released and extinguished, as the case may be. Upon receipt of any such moneys from the Issuer the Trustee shall immediately deposit the same into the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund to be applied in accordance with Section 4.01(h)(ii) of this First Supplemental Indenture, to the redemption of Series 2019 Bonds in accordance with Section 3.01(b)(i) of this First Supplemental Indenture.

The Trustee shall conclusively rely on the Issuer's determination of what moneys constitute Prepayments. The Trustee shall calculate the amount available for the extraordinary mandatory redemption of the applicable Series 2019 Bonds pursuant to Section 3.01(b)(i) of this First Supplemental Indenture on each March 15, June 15, September 15 and December 15.

ARTICLE V.

ADDITIONAL COVENANTS OF THE ISSUER

SECTION 5.01 Collection of Series 2019 Special Assessments. Notwithstanding Section 9.04 of the Master Trust Indenture, the Series 2019 Special Assessments shall be directly collected and enforced by the Issuer pursuant to the provisions of the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto; provided, however, Series 2019 Special Assessments levied on platted lots not owned by the Developer or the Landowner and pledged hereunder to secure the Series 2019 Bonds will be collected pursuant to the Uniform Method pursuant to Section 9.04 of the Master Trust Indenture. The Issuer covenants to enter into a Property Appraiser and Tax Collector Agreement with the County in order to comply with the provisions of this Section.

Notwithstanding the immediately preceding paragraph or any other provision in the Indenture to the contrary, upon the occurrence of an Event of Default, if the Trustee, acting at the written direction of the Majority Owners of the Series 2019 Bonds, requests that the Issuer not use the Uniform Method, but instead collect and enforce Series 2019 Special Assessments pursuant to another available method under the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto, then the Issuer shall collect and enforce

said Series 2019 Special Assessments in the manner and pursuant to the method so requested by the Trustee.

Any Series 2019 Special Assessments that are not collected pursuant to the Uniform Method shall be billed directly to the applicable landowner and be payable not later than thirty (30) days prior to each Interest Payment Date.

SECTION 5.02 Additional Covenant Regarding Series 2019 Special Assessments. In addition to, and not in limitation of, the covenants contained elsewhere in the Indenture, the Issuer covenants to comply with the terms of the proceedings heretofore adopted with respect to the Series 2019 Special Assessments, including the Assessment Resolution and the Assessment Methodology, and to levy the Series 2019 Special Assessments and any required true-up payments set forth in the Assessment Methodology, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2019 Bonds, when due.

SECTION 5.03 Foreclosure of Assessment Lien. Notwithstanding Section 9.06 of the Master Indenture or any other provision of the Indenture to the contrary, the following provisions shall apply with respect to the Series 2019 Special Assessments and Series 2019 Bonds.

If any property shall be offered for sale for the nonpayment of any Series 2019 Special Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2019 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount equal to the balance due on the Series 2019 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive in its corporate name or in the name of a special purpose entity title to the property for the benefit of the Owners of the Series 2019 Bonds; provided that the Trustee shall have the right, acting at the written direction of the Majority Owners of the Series 2019 Bonds, but shall not be obligated, to direct the District with respect to any action taken pursuant to this Section. The District, either through its own actions, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the related Series 2019 Revenue Account. The District, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall be required to take the measures provided by law for sale of property acquired by it as trustee for the Owners of the Series 2019 Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners of the Series 2019 Bonds.

SECTION 5.04 No Parity Bonds; Limitation on Parity Liens. The Issuer covenants and agrees that so long as there are any Series 2019 Bonds Outstanding, it shall not cause or permit to be caused any lien, charge or claim against the Pledged Revenues, except for refunding bonds. The Issuer further covenants and agrees that so long as the Series 2019 Special Assessments have not been Substantially Absorbed, it shall not issue any Bonds secured by Special Assessments for capital projects on lands subject at such time to the Series 2019 Special Assessments without the consent of the Majority Owners; provided, however, that the foregoing shall not preclude the imposition of Special Assessments for capital projects necessary for health, safety, and welfare reasons, to remediate a natural disaster, or imposed prior to the issuance of the Series 2019 Bonds. The Trustee shall be entitled to conclusively assume that the Series 2019 Special Assessments have not been Substantially Absorbed absent the written certification to the contrary from the Issuer.

SECTION 5.05 Acknowledgment Regarding Series 2019 Acquisition and Construction Account Moneys Following an Event of Default. In accordance with the provisions of the Indenture, upon the occurrence of an Event of Default with respect to the Series 2019 Bonds, the Series 2019 Bonds are payable solely from the Pledged Revenues and any other moneys held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the Issuer hereby acknowledges that, upon the occurrence of an Event of Default with respect to the Series 2019 Bonds, (i) the Pledged Revenues include, without limitation, all amounts on deposit in the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, (ii) the Pledged Revenues may not be used by the Issuer (whether to pay Costs of the Series 2019 Project or otherwise) without the consent of the Majority Owners of the Series 2019 Bonds and (iii) the Pledged Revenues may be used by the Trustee, at the written direction or with the written approval of the Majority Owners of the Series 2019 Bonds, to pay costs and expenses incurred in connection with the pursuit of remedies under the Indenture or as otherwise provided in the Master Indenture.

SECTION 5.06 Enforcement of True-Up Agreement. The District, either through its own actions, or actions caused to be taken through the Trustee, covenants that it shall strictly enforce all of the provisions of the True-Up Agreement, and, upon the occurrence and continuance of a default under such Agreement, the District covenants and agrees that the Trustee, at the written direction of the Majority Owners of the Series 2019 Bonds shall act on behalf of, and in the District's stead, to enforce the provisions of such Agreement and to pursue all available remedies under applicable law or in equity. Anything herein or in the Master Indenture to the contrary notwithstanding, failure of the District to enforce, or permit the Trustee to enforce in its stead, all of the provisions of the True-Up Agreement upon demand of the Majority Owners of the Series 2019 Bonds, or the Trustee at the written direction of the Majority Owners of the Series 2019 Bonds, shall constitute an Event of Default under the Indenture without benefit of any period for cure.

SECTION 5.07 Assignment of District's Rights Under Collateral Assignment. The District hereby assigns its rights under the Collateral Assignment to the Trustee for the benefit of the Owners, from time to time, of Bonds Outstanding under the Indenture. The Trustee shall not be deemed to have accepted any obligation under the Collateral Assignment by virtue of such assignment; provided, however, the Trustee shall act in accordance with the written directions of the Majority Owners of the Series 2019 Bonds. Notwithstanding anything to the contrary herein, prior to taking any action under this Article V, the Trustee shall have first been indemnified to its satisfaction.

ARTICLE VI.
MISCELLANEOUS PROVISIONS

SECTION 6.01 Interpretation of Supplemental Indenture. This First Supplemental Indenture amends and supplements the Master Indenture with respect to the Series 2019 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this First Supplemental Indenture by reference. To the maximum extent possible, the Master Indenture and the Supplemental Indenture shall be read and construed as one document.

SECTION 6.02 Amendments. Any amendments to this First Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

SECTION 6.03 Counterparts. This First Supplemental Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 6.04 Appendices and Exhibits. Any and all schedules, appendices or exhibits referred to in and attached to this First Supplemental Indenture are hereby incorporated herein and made a part of this First Supplemental Indenture for all purposes.

SECTION 6.05 Payment Dates. In any case in which an Interest Payment Date, principal payment date or the maturity date of the Series 2019 Bonds or the date fixed for the redemption of any Series 2019 Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

SECTION 6.06 No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Holders of the Series 2019 Bonds.

SECTION 6.07 Tax Reporting Obligations. If the Bonds are ever held in other than book entry form of registration, upon the Trustee's written request, the District and each Bond Owner shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation the cost basis reporting obligations under Section 6045 of the Internal Revenue Code of 1986 and the applicable regulations thereunder, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Cypress Bluff Community Development District has caused this First Supplemental Trust Indenture to be executed by the Chair of its Board of Supervisors and its corporate seal to be hereunto affixed and attested by an Assistant Secretary of its Board of Supervisors and The Bank of New York Mellon Trust Company, N.A. has caused this First Supplemental Trust Indenture to be executed by a Vice President, all as of the day and year first above written.

SEAL

**CYPRESS BLUFF COMMUNITY
DEVELOPMENT DISTRICT**

Attest:

By: _____
Chair, Board of Supervisors

Assistant Secretary,
Board of Supervisors

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,**
as Trustee

By: _____
Vice President

2.

NEW ISSUE - BOOK-ENTRY ONLY

NOT RATED

In the opinion of Bond Counsel, assuming compliance by the District with certain covenants, under existing statutes, regulations, and judicial decisions, the interest on the Series 2019 Bonds will be excluded from gross income for federal income tax purposes of the holders thereof and will not be an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the Series 2019 Bonds shall be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations for taxable years that begin prior to January 1, 2018. The alternative minimum tax on corporations was repealed for taxable years beginning on and after January 1, 2018. See "TAX MATTERS" herein for a description of other tax consequences to holders of the Series 2019 Bonds. [TO BE UPDATED]

CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT
(City of Jacksonville, Florida)
\$10,780,000* Special Assessment Bonds, Series 2019

Dated: Date of original issuance

Due: May 1, as shown on the inside cover

The \$10,780,000* Cypress Bluff Community Development District Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds"), are being issued by the Cypress Bluff Community Development District (the "District") pursuant to a Master Trust Indenture dated as of January 1, 2019 (the "Master Indenture"), from the District to The Bank of New York Mellon Trust Company, N.A. as trustee (the "Trustee") as supplemented by a First Supplemental Trust Indenture dated as of January 1, 2019, from the District to the Trustee (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture").

The Series 2019 Bonds are being issued only in fully registered form, in denominations of \$5,000 and integral multiples thereof; provided, however, that delivery of the Series 2019 Bonds to the initial purchasers thereof shall be in denominations of \$100,000 or integral multiples of \$5,000 in excess of \$100,000. The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, any successor statute thereto, the Florida Constitution, and other applicable provisions of law (collectively, the "Act") and established by Ordinance 2018-335-E, enacted by the City Council of the City of Jacksonville, Florida (the "City") on June 26, 2018, effective June 29, 2018 (the "Ordinance"). The Series 2019 Bonds are payable from and secured by the Pledged Revenues (as defined herein). The Pledged Revenues consist primarily of the revenues derived by the District from non-ad valorem special assessments levied against certain lands within the District. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS" herein.

The Series 2019 Bonds, when issued, will be registered in the name of Cede & Co., as the owner and nominee for The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Series 2019 Bonds will be made in book-entry only form. Accordingly, principal of and interest on the Series 2019 Bonds will be paid from the sources provided below by the Trustee directly to Cede & Co. as the nominee of DTC and the registered owner thereof. Disbursements of such payments to the DTC Participants is the responsibility of DTC and disbursements of such payments to the beneficial owners is the responsibility of DTC Participants and the Indirect Participants, as more fully described herein. Any purchaser as a beneficial owner of a Series 2019 Bond must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of the principal of and interest on such Series 2019 Bond. See "DESCRIPTION OF THE SERIES 2019 BONDS - Book-Entry Only System" herein. The Series 2019 Bonds will bear interest at the fixed rates set forth herein, calculated on the basis of a 360-day year comprised of twelve thirty-day months. Interest on the Series 2019 Bonds is payable semi-annually on each May 1 and November 1, commencing May 1, 2019.

The Series 2019 Bonds are subject to optional, mandatory and extraordinary mandatory redemption at the times, in the amounts and at the redemption prices as more fully described herein. See "DESCRIPTION OF THE SERIES 2019 BONDS - Redemption Provisions" herein.

The Series 2019 Bonds are being issued to: (i) finance the Cost of acquiring, constructing and equipping assessable improvements comprising the Series 2019 Project (as defined herein); (ii) pay certain costs associated with the issuance of the Series 2019 Bonds; and (iii) make a deposit into the Series 2019 Debt Service Reserve Account which account will be held for the benefit of all of the Series 2019 Bonds, without privilege or priority of one Series 2019 Bond over another.

THE SERIES 2019 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE CITY, DUVAL COUNTY, FLORIDA (THE "COUNTY"), THE STATE OF FLORIDA (THE "STATE"), OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2019 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION SERIES 2019 SPECIAL ASSESSMENTS (AS DEFINED HEREIN) TO SECURE AND PAY THE SERIES 2019 BONDS. THE SERIES 2019 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE CITY, THE COUNTY, THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

THE SERIES 2019 BONDS INVOLVE A DEGREE OF RISK (SEE "BONDOWNERS' RISKS" HEREIN) AND ARE NOT SUITABLE FOR ALL INVESTORS (SEE "SUITABILITY FOR INVESTMENT" HEREIN). THE UNDERWRITER IS LIMITING THE OFFERING OF THE SERIES 2019 BONDS TO ACCREDITED INVESTORS WITHIN THE MEANING OF THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES; HOWEVER, THE LIMITATION OF THE INITIAL OFFERING OF SERIES 2019 BONDS TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFER IN ANY SECONDARY MARKET FOR THE SERIES 2019 BONDS. THE SERIES 2019 BONDS ARE NOT CREDIT ENHANCED AND ARE NOT RATED AND NO APPLICATION HAS BEEN MADE FOR A RATING WITH RESPECT TO THE SERIES 2019 BONDS, NOR IS THERE ANY REASON TO BELIEVE THAT THE DISTRICT WOULD HAVE BEEN SUCCESSFUL IN OBTAINING A RATING FOR THE SERIES 2019 BONDS HAD APPLICATION BEEN MADE.

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Limited Offering Memorandum is delivered in final form. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

This cover page contains information for quick reference only. It is not, and is not intended to be, a summary of the Series 2019 Bonds. Investors must read the entire Limited Offering Memorandum, including the appendices attached hereto, to obtain information essential to the making of an informed investment decision.

**PRINCIPAL AMOUNTS, INTEREST RATES, MATURITY DATES,
YIELDS, PRICES AND INITIAL CUSIP NUMBERS****

\$ ____ % Term Series 2019 Bonds Due May 1, 20__ Yield ____ % Price ____ CUSIP No.** ____
\$ ____ % Term Series 2019 Bonds Due May 1, 20__ Yield ____ % Price ____ CUSIP No.** ____

The Series 2019 Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to prior sale, withdrawal or modification of the offer without notice and the receipt of the opinion of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, as to the validity of the Series 2019 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel, Hopping Green & Sams P.A., Tallahassee, Florida, for the Master Developer and Landowner by its counsel, Gunster Yoakley & Stewart, P.A., Jacksonville, Florida, for the Trustee by its in-house counsel, and for the Underwriter by its counsel, Nabors, Giblin & Nickerson, P.A., Tampa, Florida. It is expected that the Series 2019 Bonds will be available for delivery through The Depository Trust Company in New York, New York on or about February __, 2019.

MBS Capital Markets, LLC

Dated: _____, 2019

* Preliminary, subject to change.

** The District is not responsible for the use of CUSIP numbers, nor is any representation made as to their correctness. They are included solely for the convenience of the readers of this Limited Offering Memorandum.

CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS

Richard T. Ray*, Chairman
John Holmes, Vice Chairman
John S. Hewins, Assistant Secretary
Stephen Grossman, Assistant Secretary
Chris Price, Assistant Secretary

DISTRICT MANAGER/ASSESSMENT CONSULTANT

Governmental Management Services, LLC
St. Augustine, Florida

DISTRICT COUNSEL

Hopping Green & Sams P.A.
Tallahassee, Florida

DISTRICT ENGINEER

England, Thims & Miller, Inc.
Jacksonville, Florida

BOND COUNSEL

Bryant Miller Olive P.A.
Orlando, Florida

UNDERWRITER'S COUNSEL

Nabors, Giblin & Nickerson, P.A.
Tampa, Florida

* Affiliated with the Master Developer and/or Landowner.

REGARDING USE OF THIS LIMITED OFFERING MEMORANDUM

No dealer, broker, salesman or other person has been authorized by the District, the State of Florida or the Underwriter to give any information or to make any representations other than those contained in this Limited Offering Memorandum, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2019 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the District, the District Manager, the District Engineer, the Assessment Consultant, the Master Developer, the Landowner and other sources that are believed by the Underwriter to be reliable.

The Underwriter has reviewed the information in this Limited Offering Memorandum in accordance with and as part of its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The District, the District Engineer, the District Manager, the Assessment Consultant, the Master Developer and the Landowner will all, at closing, deliver certificates certifying that certain of the information each supplied does not contain any untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change with respect to the matters described herein since the date hereof.

In connection with this offering, the Underwriter may over-allot or effect transactions that stabilize or maintain the market price of the Series 2019 Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Series 2019 Bonds have not been registered with the Securities and Exchange Commission under the Securities Act of 1933, as amended, nor has the Indenture been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon certain exemptions set forth in such acts. The registration, qualification or exemption of the Series 2019 Bonds in accordance with the applicable securities law provisions of any jurisdictions wherein these securities have been or will be registered, qualified or exempted should not be regarded as a recommendation thereof. Neither the District, the City of Jacksonville, Florida, Duval County, Florida, the State of Florida, nor any of its subdivisions or agencies have guaranteed or passed upon the merits of the Series 2019 Bonds, upon the probability of any earnings thereon or upon the accuracy or adequacy of this Limited Offering Memorandum.

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "anticipate," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and

unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to those forward-looking statements if or when any of its expectations or events, conditions or circumstances on which such statements are based occur, other than as described under "CONTINUING DISCLOSURE" herein.

The order and placement of materials in this Limited Offering Memorandum, including the appendices, are not to be deemed a determination of relevance, materiality or importance, and this Limited Offering Memorandum, including the appendices, must be considered in its entirety. The captions and headings in this Limited Offering Memorandum are for convenience of reference only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections in this Limited Offering Memorandum.

This Limited Offering Memorandum is being provided to prospective purchasers either in bound printed form ("Original Bound Format") or in electronic format on the following websites: www.munios.com and www.emma.msrb.org. This Limited Offering Memorandum may be relied upon only if it is in its Original Bound Format or as printed in its entirety directly from such websites.

This Limited Offering Memorandum is not, and shall not be deemed to constitute, an offer to sell, or the solicitation of an offer to buy, real estate, which may only be made pursuant to offering documents satisfying applicable federal and state laws relating to the offer and sale of real estate.

This Preliminary Limited Offering Memorandum is in a form deemed final by the District for purposes of Rule 15c2-12 issued under the Securities Exchange Act of 1934, as amended, except for certain information permitted to be omitted pursuant to Rule 15c2-12(b)(1).

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APPENDIX B	Methodology Report
APPENDIX C	Forms of Master Indenture and First Supplemental Indenture
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LIMITED OFFERING MEMORANDUM

relating to

**CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT
(City of Jacksonville, Florida)
\$10,780,000* Special Assessment Bonds, Series 2019**

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page and appendices hereto, is to set forth certain information concerning the Cypress Bluff Community Development District (the "District") in connection with the offering and issuance by the District of its \$10,780,000* Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds").

The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, any successor statute thereto, the Florida Constitution, and other applicable provisions of law (collectively, the "Act") and established by Ordinance 2018-335-E, enacted by the City Council of the City of Jacksonville, Florida (the "City") on June 26, 2018, effective June 29, 2018 (the "Ordinance"). See "THE DISTRICT" herein.

The Series 2019 Bonds are being issued pursuant to the Act and a Master Trust Indenture dated as of January 1, 2019 (the "Master Indenture"), from the District to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") as supplemented by a First Supplemental Trust Indenture dated as of January 1, 2019, from the District to the Trustee (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture") and resolutions adopted by the Board of Supervisors of the District on August 1, 2018 and [January 9], 2019, authorizing the issuance of the Series 2019 Bonds. All capitalized terms used in this Limited Offering Memorandum that are defined in the Indenture and not defined herein shall have the respective meanings set forth in the Indenture which appears in composite APPENDIX C attached hereto.

The District was established for the purposes, among other things, of financing and managing the planning, acquisition, construction, maintenance and operation of the infrastructure necessary for community development in the Development. For a complete discussion of the Development, see "THE DEVELOPMENT" and "THE CAPITAL IMPROVEMENT PROGRAM" herein. The Act authorizes the District to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, equipping, operating and maintaining water management, water supply, sewer and wastewater management, bridges or culverts, district roads, recreational facilities and other basic infrastructure projects within or without the boundaries of the District, all as provided in the Act.

Under the Constitution and laws of the State of Florida (the "State"), including the Act, the District has the power and authority to levy non-ad valorem assessments upon District Lands (hereinafter defined) and to issue the Series 2019 Bonds for the purposes of providing

* Preliminary, subject to change.

community development services and facilities, including those financed with the proceeds of the Series 2019 Bonds as described herein.

Consistent with the requirements of the Indenture and the Ordinance, the Series 2019 Bonds are being issued for the primary purposes of financing the Cost of the acquisition, construction and equipping of assessable improvements (as more fully described herein, the "Series 2019 Project"), paying certain costs associated with the issuance of the Series 2019 Bonds and funding the Series 2019 Debt Service Reserve Account.

Proceeds of the Series 2019 Bonds will be used to finance the acquisition and construction of certain master infrastructure improvements for the special benefit of the lands within the District (the "District Lands"). The District Lands encompass approximately 1,249.7 acres located entirely within the City. The District is approved for [_____] single family residential units]. For more complete information about the District, its Governing Body, and the District Manager, see "THE DISTRICT" herein.

The Series 2019 Bonds are payable from and secured by the Pledged Revenues, which is defined in the First Supplemental Indenture as (a) all revenues received by the District from the Series 2019 Special Assessments levied and collected on that portion of the District Lands benefited by the Series 2019 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2019 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2019 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; provided, however, that Pledged Revenues shall not include (A) any moneys transferred to the Rebate Fund, or investment earnings thereon, and (B) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance special assessments" levied and collected by the District under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (A) and (B) of this proviso).

"Series 2019 Special Assessments" is defined in the First Supplemental Indenture as the Special Assessments levied on that portion of the District Lands specially benefitted by the Series 2019 Project or any portion thereof, which assessments correspond in amount to the debt service on the Series 2019 Bonds.

"Special Assessments" is defined in the Master Indenture as (a) the net proceeds derived from the levy and collection of "special assessments," as provided for in Sections 190.011(14) and 190.022 of the Act (except for any such special assessments levied and collected for maintenance purposes), against the District Lands that are subject to assessment as a result of a particular Project or any portion thereof, and (b) the net proceeds derived from the levy and collection of "benefit special assessments," as provided for in Section 190.021(2) of the Act, against the District Lands that are subject to assessment as a result of a particular Project or any portion thereof, and in the case of both "special assessments" and "benefit special assessments," including the interest and penalties on such assessments, pursuant to all applicable provisions of the Act and Chapter 170, Florida Statutes, and Chapter 197, Florida Statutes (and any successor statutes thereto), including, without limitation, any amount received from any foreclosure proceeding for the enforcement of collection of such assessments or from the issuance and sale of tax certificates with respect to such assessments, less (to the extent applicable) the fees and costs of collection thereof payable to the Tax Collector and less certain administrative costs payable to the Property Appraiser pursuant to the Property Appraiser and

Tax Collector Agreement. "Special Assessments" shall not include "maintenance special assessments" levied and collected by the District under Section 190.021(3) of the Act.

The Series 2019 Special Assessments represent an allocation of a portion of the costs of the Series 2019 Project, including bond financing costs, to the District Lands benefiting from the Series 2019 Project (the "Series 2019 Assessment Area") in accordance with the Methodology Report (hereinafter defined). The Methodology Report and assessment resolutions with respect to the Series 2019 Bonds (the "Assessment Proceedings") permit the prepayment in part or in full of the Series 2019 Special Assessments at any time without penalty. See "ASSESSMENT METHODOLOGY" herein.

Subsequent to the issuance of the Series 2019 Bonds, the District may cause one or more Series of Bonds to be issued pursuant to the Master Indenture, subject to the terms and conditions thereof. Bonds may be issued for the purpose of financing the Cost of acquisition or construction of a Project, to refund all or a portion of a Series of Bonds or for the completion of a Project. The District covenants and agrees in the First Supplemental Indenture that so long as there are any Series 2019 Bonds Outstanding, it shall not cause or permit to be caused any lien, charge or claim against the Pledged Revenues, except for refunding bonds. The District further covenants and agrees in the First Supplemental Indenture that so long as the Series 2019 Special Assessments have not been Substantially Absorbed, it shall not issue any Bonds secured by Special Assessments for capital projects on lands subject at such time to the Series 2019 Special Assessments without the consent of the Majority Owners; provided, however, that the foregoing shall not preclude the imposition of Special Assessments for capital projects necessary for health, safety, and welfare reasons, to remediate a natural disaster, or imposed prior to the issuance of the Series 2019 Bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS - No Parity Bonds" herein.

There follows in this Limited Offering Memorandum a brief description of the District, together with summaries of the terms of the Series 2019 Bonds, the Indenture, the Development, and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and all references to the Series 2019 Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture, the forms of which appear as APPENDIX C attached hereto.

SUITABILITY FOR INVESTMENT

Investment in the Series 2019 Bonds poses certain economic risks. No dealer, broker, salesman or other person has been authorized by the District or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum. Additional information will be made available to each prospective investor, including the benefit of a site visit to the District, and the opportunity to ask questions of the District, as such prospective investor deems necessary in order to make an informed decision with respect to the purchase of the Series 2019 Bonds. Prospective investors are encouraged to request such additional information, visit the District and ask such questions.

While the Series 2019 Bonds are not subject to registration under the Securities Act of 1933, as amended (the "Securities Act"), the Underwriter has determined that the Series 2019 Bonds are not suitable for investment by persons other than, and, as required by Chapter 189, Florida Statutes, will offer the Series 2019 Bonds only to, "accredited investors," as defined in Chapter 517, Florida Statutes, and the rules promulgated thereunder; however, the limitation

of the initial offering to accredited investors does not denote restrictions on transfer in any secondary market for the Series 2019 Bonds. Prospective investors in the Series 2019 Bonds should have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment in the Series 2019 Bonds and should have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment.

DESCRIPTION OF THE SERIES 2019 BONDS

General Description

The Series 2019 Bonds are issuable as fully registered bonds, without coupons, in denominations of \$5,000 or any multiple thereof; provided, however, with respect to the Series 2019 Bonds all initial purchasers must purchase at least \$100,000 of the Series 2019 Bonds and integral multiples of \$5,000 in excess thereof at the time of initial delivery of the Series 2019 Bonds.

The Series 2019 Bonds will be dated their date of issuance and delivery to the initial purchasers thereof and will bear interest payable on each May 1 and November 1, commencing May 1, 2019 (each, an "Interest Payment Date") and shall be computed on the basis of a 360-day year of twelve 30-day months. The Series 2019 Bonds will mature on May 1 of such years, in such amounts and at such rates as set forth on the cover page of this Limited Offering Memorandum.

Both the principal of and the interest on the Series 2019 Bonds shall be payable in any coin or currency of the United States of America which is legal tender on the respective dates of payment thereof for the payment of public and private debts. Except as otherwise provided in the Indenture in connection with a book-entry only system of registration of the Series 2019 Bonds, the principal or Redemption Price of the Series 2019 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent upon presentation of such Series 2019 Bonds. Except as otherwise provided in the Indenture in connection with a book-entry only system of registration of the Series 2019 Bonds, the payment of interest on the Series 2019 Bonds shall be made on each Interest Payment Date to the Owners of the Series 2019 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Owner as such Owner appears on the Bond Register maintained by the Registrar as of the close of business on the Regular Record Date, at his address as it appears on the Bond Register. Interest on the Series 2019 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to May 1, 2019, in which case from the date of original issuance of the Series 2019 Bonds, or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date.

Any interest on any Series 2019 Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Series 2019 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be

mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5th) day prior to such mailing, at his address as it appears in the Bond Register not less than ten (10) days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Series 2019 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Paying Agent, upon requesting the same in a writing received by the Paying Agent at least fifteen (15) days prior to the relevant Interest Payment Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Paying Agent at least fifteen (15) days prior to the relevant Interest Payment Date.

The Series 2019 Bonds will initially be registered in the name of Cede & Co. as nominee for The Depository Trust Company ("DTC"), which will act initially as securities depository for the Series 2019 Bonds and, so long as the Series 2019 Bonds are held in book-entry only form, Cede & Co. will be considered the registered owner for all purposes hereof. See "- Book-Entry Only System" below for more information about DTC and its book-entry only system.

Redemption Provisions

Optional Redemption. The Series 2019 Bonds may, at the option of the District in writing, be called for redemption prior to maturity in whole or in part at any time on or after May 1, 20__ (less than all Series 2019 Bonds to be specified by the District in writing), at a Redemption Price equal to 100% of the principal amount of Series 2019 Bonds to be redeemed plus accrued interest from the most recent Interest Payment Date to the date of redemption.

Mandatory Sinking Fund Redemption. The Series 2019 Bond maturing on May 1, 20__, is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>Year</u> <u>(May 1)</u>	<u>Sinking Fund</u> <u>Installment</u>	<u>Year</u> <u>(May 1)</u>	<u>Sinking Fund</u> <u>Installment</u>
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*Final Maturity

The Series 2019 Bond maturing on May 1, 20__, is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>Year</u> <u>(May 1)</u>	<u>Sinking Fund</u> <u>Installment</u>	<u>Year</u> <u>(May 1)</u>	<u>Sinking Fund</u> <u>Installment</u>
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*Final Maturity

The above Sinking Fund Installments are subject to recalculation, as provided in the Master Indenture, as the result of the redemption of Series 2019 Bonds other than in accordance with scheduled Sinking Fund Installments so as to re-amortize the remaining Outstanding principal of Series 2019 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term thereof.

Extraordinary Mandatory Redemption. The Series 2019 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole, on any date, or in part, on any Redemption Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2019 Bonds to be redeemed, plus interest accrued to the date of redemption, as follows:

(i) from Series 2019 Prepayments deposited into the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund following the payment in whole or in part of Series 2019 Special Assessments on any portion of the Series 2019 Lands in accordance with the provisions of the First Supplemental Indenture, including any excess moneys transferred from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund resulting from such Series 2019 Prepayment pursuant to the First Supplemental Indenture; or

(ii) on or after the Completion Date of the Series 2019 Project, by application of moneys remaining in the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund not reserved by the District for the payment of any remaining part of the Cost of the Series 2019 Project, which has been transferred as specified in the First Supplemental Indenture to the Series 2019 General Account of the Series 2019 Bond Redemption Fund, credited toward extinguishment of the Series 2019 Special Assessments and applied toward the redemption of the Series 2019 Bonds in accordance with the manner it has credited such excess moneys toward extinguishment of Series 2019 Special Assessments which the District shall describe to the Trustee in writing; or

(iii) following condemnation or the sale of any portion of the Series 2019 Project to a governmental entity under threat of condemnation by such governmental entity and the payment of moneys which are not to be used to rebuild, replace or restore the taken portion of the Series 2019 Project to the Trustee by or on behalf of the District for deposit into the Series 2019 General Account of the Series 2019 Bond Redemption Fund in order to effectuate such redemption and which moneys shall be applied by the District to redeem Series 2019 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2019 Special Assessments which the District shall describe to the Trustee in writing; or

(iv) following the damage or destruction of all or substantially all of the Series 2019 Project to such extent that, in the reasonable opinion of the District, the repair and restoration thereof would not be economical or would be impracticable, to the extent of amounts paid by the District to the Trustee for deposit to the Series 2019 General Account of the Series 2019 Bond Redemption Fund which moneys shall be applied by the District to redeem Series 2019 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2019 Special Assessments; provided, however, that at least forty-five (45) days prior to such extraordinary mandatory redemption, the District shall cause to be delivered to the Trustee (x) notice setting forth the date of redemption and (y) a certificate of the Consulting Engineer confirming that the repair and restoration of the Series 2019 Project would not be economical or would be impracticable, such certificate upon which the Trustee shall be entitled to rely; or

(v) from moneys, if any, on deposit in the Series 2019 Funds and Accounts (other than the Rebate Fund) sufficient to pay and redeem all Outstanding Series 2019 Bonds and accrued interest thereon to the date of redemption in addition to all amounts owed to Persons under the Indenture; or

(vi) on February 1, 2020, from amounts transferred to the Series 2019 General Account of the Series 2019 Bond Redemption Fund from the Series 2019 Acquisition and Construction Subaccount – Parcel E-3a of the Series 2019 Acquisition and Construction Account and from any applicable true-up payment as provided in the First Supplemental Indenture; or

(vii) on August 1, 2019, from amounts transferred to the Series 2019 General Account of the Series 2019 Bond Redemption Fund from the Series 2019 Acquisition and Construction Subaccount – Parcel E-5 of the Series 2019 Acquisition and Construction Account and from any applicable true-up payment as provided in the First Supplemental Indenture; or

(viii) on August 1, 2019, from amounts transferred to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund from the Series 2019 Acquisition and Construction Subaccount – Parcel E-7a of the Series 2019 Acquisition and Construction Account and from any applicable true-up payment as provided in the First Supplemental Indenture.

The Master Indenture provides that, except to the extent otherwise provided in a Supplemental Indenture, if less than all of a Series of Bonds of a maturity are to be redeemed, the Trustee shall select the particular Bonds or portions of the Bonds to be called for redemption by lot in such reasonable manner as the Trustee in its discretion may determine. In the case of any partial optional redemption of Bonds of a Series, such redemption shall be effectuated by redeeming Bonds of such Series of such maturities in such manner as shall be specified by the District in writing, subject to the provisions of the Master Indenture. In the case of any partial extraordinary mandatory redemption of Bonds of a Series, such redemption shall be effectuated by redeeming Bonds of such Series pro rata among the maturities, treating each date on which a Sinking Fund Installment is due as a separate maturity for such purpose, with the portion to be redeemed from each maturity being equal to the product of the aggregate principal amount of Bonds of such Series to be redeemed multiplied times a fraction the numerator of which is the principal amount of the Series of Bonds of such maturity outstanding immediately prior to the redemption date and the denominator of which is the aggregate

principal amount of all Bonds of such Series outstanding immediately prior to the redemption date.

Notice of Redemption

When required to redeem or purchase Bonds of a Series under any provision of the Indenture or directed to do so by the District, the Trustee shall cause notice of the redemption, either in whole or in part, to be given by Electronic Means or mailed at least thirty (30) but not more than sixty (60) days prior to the redemption or purchase date to all Owners of Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the fifth (5th) day prior to such mailing), at their registered addresses and also to any Credit Facility Issuer, but failure to mail any such notice or defect in the notice or in the mailing thereof shall not affect the validity of the redemption or purchase of the Bonds of such Series for which notice was duly mailed in accordance with the Master Indenture. Such notice shall be given in the name of the District, shall be dated, shall set forth the Bonds of such Series Outstanding which shall be called for redemption or purchase and shall include, without limitation, the following additional information:

- (a) the redemption or purchase date;
- (b) the redemption or purchase price;
- (c) CUSIP numbers, to the extent applicable, and any other distinctive numbers and letters;
- (d) if less than all Outstanding Bonds of a Series to be redeemed or purchased, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed or purchased;
- (e) that on the redemption or purchase date the redemption or purchase price will become due and payable upon surrender of each such Bond or portion thereof called for redemption or purchase, and that interest thereon shall cease to accrue from and after said date;
- (f) the place where such Bonds are to be surrendered for payment of the redemption or purchase price, which place of payment shall be a corporate trust office of the Trustee; and
- (g) any condition or conditions to be met prior to the redemption of the Bonds of such Series, including, but not limited to receipt of funds sufficient to accomplish the redemption of the Bonds.

If at the time of mailing of notice of an optional redemption or purchase, the District shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all the Bonds called for redemption or purchase, such notice shall state that it is subject to the deposit of the redemption or purchase moneys with the Trustee or Paying Agent, as the case may be, not later than the opening of business on the redemption or purchase date, and such notice shall be of no effect unless such moneys are so deposited.

No Acceleration

The Indenture does not permit the acceleration of the principal of the Series 2019 Bonds upon an Event of Default (as defined in the Indenture). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS - Enforcement and Collection of Series 2019 Special Assessments" herein and "APPENDIX C - Forms of Master Indenture and First Supplemental Indenture" attached hereto.

Book-Entry Only System

The information in this caption concerning The Depository Trust Company, New York, New York, ("DTC") and DTC's book-entry system has been obtained from DTC and neither the District nor the Underwriter makes any representation or warranty or takes any responsibility for the accuracy or completeness of such information.

DTC will act as securities depository for the Series 2019 Bonds. The Series 2019 Bonds will be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of each Series of the Series 2019 Bonds and will be deposited with DTC. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants (the "Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (the "Indirect Participants"). DTC has a Standard and Poor's rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Series 2019 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2019 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2019 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series

2019 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2019 Bonds, except in the event that use of the book-entry system for the Series 2019 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2019 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2019 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2019 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2019 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements made among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2019 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2019 Bonds, as the case may be, to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2019 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2019 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2019 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or the Registrar on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Registrar or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District and/or the Paying Agent for the Series 2019 Bonds. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of the Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2019 Bonds at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2019 Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2019 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but takes no responsibility for the accuracy thereof.

NEITHER THE DISTRICT NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEE WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE SERIES 2019 BONDS. THE DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, THE DTC PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE SERIES 2019 BONDS PAID TO DTC OR ITS NOMINEE, AS THE REGISTERED OWNER, OR PROVIDE ANY NOTICES TO THE BENEFICIAL OWNERS OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM.

SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS

General

The Series 2019 Bonds are payable from and secured by the Pledged Revenues, which is defined in the First Supplemental Indenture as (a) all revenues received by the District from the Series 2019 Special Assessments levied and collected on that portion of the District Lands benefited by the Series 2019 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2019 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2019 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture; provided, however, that Pledged Revenues shall not include (A) any moneys transferred to the Rebate Fund, or investment earnings thereon, and (B) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance special assessments" levied and collected by the District under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (A) and (B) of this proviso).

The Series 2019 Special Assessments represent an allocation of a portion of the costs of the Series 2019 Project, including bond financing costs, to the District Lands benefiting from the Series 2019 Project in accordance with the Methodology Report, which is attached hereto as APPENDIX B.

NEITHER THE SERIES 2019 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THE SERIES 2019 BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE. NO

OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2019 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2019 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2019 SPECIAL ASSESSMENTS AND THE PLEDGED REVENUES PLEDGED TO THE SERIES 2019 BONDS, ALL AS PROVIDED IN THE INDENTURE.

No Parity Bonds

In the First Supplemental Indenture, the District covenants and agrees that so long as there are any Series 2019 Bonds Outstanding, it shall not cause or permit to be caused any lien, charge or claim against the Pledged Revenues, except for refunding bonds. The District further covenants and agrees in the First Supplemental Indenture that so long as the Series 2019 Special Assessments have not been Substantially Absorbed, it shall not issue any Bonds secured by Special Assessments for capital projects on lands subject at such time to the Series 2019 Special Assessments without the consent of the Majority Owners; provided, however, that the foregoing shall not preclude the imposition of Special Assessments for capital projects necessary for health, safety, and welfare reasons, to remediate a natural disaster, or imposed prior to the issuance of the Series 2019 Bonds. "Substantially Absorbed" is defined in the First Supplemental Indenture as the date on which a principal amount of the Series 2019 Special Assessments equaling at least ninety percent (90%) of the then Outstanding principal amount of the Series 2019 Bonds are levied on the District Lands with respect to which a certificate of occupancy has been issued for a structure thereon.

WHILE NO FUTURE ADDITIONAL BONDS WILL BE PAYABLE FROM OR SECURED BY THE SERIES 2019 SPECIAL ASSESSMENTS PLEDGED AS SECURITY FOR THE SERIES 2019 BONDS, THE DISTRICT, THE CITY, DUVAL COUNTY, FLORIDA (THE "COUNTY"), THE SCHOOL BOARD OF DUVAL COUNTY, FLORIDA, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF MAY IN THE FUTURE IMPOSE, LEVY AND COLLECT ASSESSMENTS AND TAXES THE LIENS OF WHICH WILL BE CO-EQUAL WITH THE LIEN OF ASSESSMENTS WHICH INCLUDES THE SERIES 2019 SPECIAL ASSESSMENTS SECURING THE SERIES 2019 BONDS. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS - Enforcement and Collection of Series 2019 Special Assessments" herein.

Funds and Accounts

The Indenture requires that the Trustee establish the following funds and accounts: within the Acquisition and Construction Fund, a "Series 2019 Acquisition and Construction Account" (and therein a "Series 2019 Acquisition and Construction Subaccount – Parcel E-3a," a "Series 2019 Acquisition and Construction Subaccount – Parcel E-5," and a "Series 2019 Acquisition and Construction Subaccount – Parcel E-7a") and a "Series 2019 Costs of Issuance Subaccount;" within the Revenue Fund, a "Series 2019 Revenue Account;" within the Debt Service Fund, a "Series 2019 Principal Account," a "Series 2019 Interest Account" and a "Series 2019 Sinking Fund Account"; within the Debt Service Reserve Fund, a "Series 2019 Debt Service Reserve Account;" and, a "Series 2019 Bond Redemption Fund" and therein a "Series 2019 General Account" and a "Series 2019 Prepayment Account."

Series 2019 Debt Service Reserve Account

The First Supplemental Indenture creates a Series 2019 Debt Service Reserve Account. The "Series 2019 Debt Service Reserve Requirement" is defined in the First Supplemental Indenture as an amount equal to [_____] percent ([_]%) of the maximum annual Debt Service Requirement for the Series 2019 Bonds as of any date of calculation as provided for therein, which initially is \$_____.

Amounts on deposit in the Series 2019 Debt Service Reserve Account shall be held for the benefit of all of the Series 2019 Bonds, without privilege or priority of one Series 2019 Bond over another, and shall be applied for the purposes provided in the Indenture. On each March 15, June 15, September 15 and December 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amounts on deposit in the Series 2019 Debt Service Reserve Account and transfer any excess therein (except for excess resulting from interest earnings, excess resulting from failure of receipt of notice by the Trustee from the District as provided in the First Supplemental Indenture, and excess resulting from Prepayments) above the Series 2019 Debt Service Reserve Requirement, as follows: (A) prior to the Completion Date of the Series 2019 Project, to the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund, and (B) on and after the Completion Date of the Series 2019 Project, such amounts shall be transferred to the Series 2019 Revenue Account.

Notwithstanding the foregoing paragraph, so long as no Event of Default has occurred and has not been cured, upon an optional prepayment by the owner of a lot or parcel of land of a Series 2019 Special Assessment against such lot or parcel as provided in the First Supplemental Indenture, the District, on March 15, June 15, September 15 and December 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), shall determine the Series 2019 Debt Service Reserve Requirement, taking into account such optional prepayment and shall direct the Trustee in writing to transfer any amount on deposit in the Series 2019 Debt Service Reserve Account in excess of the Series 2019 Debt Service Reserve Requirement (except for excess resulting from interest earnings) from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund, as a credit against the Series 2019 Prepayment otherwise required to be made by the owner of such lot or parcel.

In the event that notice is not received by the Trustee from the District pursuant to the provisions of the First Supplemental Indenture, the portion of the Series 2019 Bonds relating to the Parcel E-3a Project are subject to redemption on [February 1, 2020]. On [December 15, 2019] (or, if such date is not a Business Day, on the Business Day next preceding such day), the District shall determine the Series 2019 Debt Service Reserve Requirement, taking into account the extraordinary mandatory redemption of the Series 2019 Bonds related to the Parcel E-3a Project, and shall direct the Trustee in writing to transfer any amount on deposit in the Series 2019 Debt Service Reserve Account in excess of the Series 2019 Debt Service Reserve Requirement (except for excess resulting from interest earnings) from the Series 2019 Debt Service Reserve Account to the Series 2019 General Account of the Series 2019 Bond Redemption Fund.

In the event that notice is not received by the Trustee from the District pursuant to the provisions of the First Supplemental Indenture, the portion of the Series 2019 Bonds relating to the Parcel E-5 Project are subject to redemption on [August 1, 2019]. On [June 15, 2019] (or, if such date is not a Business Day, on the Business Day next preceding such day), the District shall determine the Series 2019 Debt Service Reserve Requirement, taking into account the

extraordinary mandatory redemption of the Series 2019 Bonds related to the Parcel E-5 Project, and shall direct the Trustee in writing to transfer any amount on deposit in the Series 2019 Debt Service Reserve Account in excess of the Series 2019 Debt Service Reserve Requirement (except for excess resulting from interest earnings) from the Series 2019 Debt Service Reserve Account to the Series 2019 General Account of the Series 2019 Bond Redemption Fund.

In the event that notice is not received by the Trustee from the District pursuant to the provisions of the First Supplemental Indenture, the portion of the Series 2019 Bonds relating to the Parcel E-7a Project are subject to redemption on [August 1, 2019]. On [June 15, 2019] (or, if such date is not a Business Day, on the Business Day next preceding such day), the District shall determine the Series 2019 Debt Service Reserve Requirement, taking into account the extraordinary mandatory redemption of the Series 2019 Bonds related to the Parcel E-7a Project, and shall direct the Trustee in writing to transfer any amount on deposit in the Series 2019 Debt Service Reserve Account in excess of the Series 2019 Debt Service Reserve Requirement (except for excess resulting from interest earnings) from the Series 2019 Debt Service Reserve Account to the Series 2019 General Account of the Series 2019 Bond Redemption Fund.

Earnings on investments in the Series 2019 Debt Service Reserve Account shall be disposed of as follows:

(A) If as of the last date on which amounts on deposit in the Series 2019 Debt Service Reserve Account were valued by the Trustee there was a deficiency in the Series 2019 Debt Service Reserve Account, or if after such date withdrawals have been made from the Series 2019 Debt Service Reserve Account and have created such a deficiency, then earnings on investments in the Series 2019 Debt Service Reserve Account shall be deposited to the credit of the Series 2019 Debt Service Reserve Account until the amounts on deposit therein equal the Series 2019 Debt Service Reserve Requirement; and

(B) As long as no notice of an Event of Default under the Indenture has been delivered to the Trustee or if such Event of Default described in a notice has been cured or waived as provided in the Master Indenture, and the amount in the Series 2019 Debt Service Reserve Account is not reduced below the then Series 2019 Debt Service Reserve Requirement, then earnings on investments in such Account shall be applied as follows: (x) prior to the Completion Date of the Series 2019 Project, on a pro rata basis to the Series 2019 Acquisition and Construction Subaccount – Parcel E-3a, the Series 2019 Acquisition and Construction Subaccount – Parcel E-5 and the Series 2019 Acquisition and Construction Subaccount – Parcel E-7a of the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund, and (y) on and after the Completion Date of all of the components of the Series 2019 Project, to the Series 2019 Revenue Account of the Revenue Fund. Upon the occurrence and continuance of an Event of Default, earnings on investments in the Series 2019 Debt Service Reserve Account shall remain therein.

Series 2019 Bond Redemption Fund

Except as otherwise provided in the First Supplemental Indenture, moneys to be deposited into the Series 2019 Bond Redemption Fund, as provided in Article VI of the Master Indenture shall be deposited to the Series 2019 General Account of the Series 2019 Bond Redemption Fund. Series 2019 Prepayments shall be identified as such by the District to the

Trustee to then be deposited directly into the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund, as provided in the Indenture.

Moneys in the Series 2019 General Account (including all earnings on investments held therein) shall be accumulated therein to be used in the following order of priority, to the extent that the need therefor arises:

FIRST, to make such deposits into the Rebate Fund for the Series 2019 Bonds, if any, as the District may direct in writing in accordance with the Arbitrage Certificate, such moneys thereupon to be used solely for the purposes specified in the Arbitrage Certificate. Any moneys so transferred from the Series 2019 General Account to the Rebate Fund shall thereupon be free from the lien and pledge of the Indenture;

SECOND, to be used to call for extraordinary mandatory redemption pursuant to the First Supplemental Indenture an amount of Series 2019 Bonds equal to the amount of money transferred to the Series 2019 General Account pursuant to the aforesaid clauses or provisions, as appropriate, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in such clauses or provisions, as appropriate; and

THIRD, the remainder to be utilized by the Trustee, at the written direction of a Responsible Officer, to call for redemption such Series 2019 Bonds that are subject to optional redemption such amount of Series 2019 Bonds as, with the redemption premium, may be practicable; provided, however, that not less than \$5,000 principal amount of Bonds shall be called for redemption at one time.

Moneys in the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund (including all earnings on investments therein) shall be accumulated therein to be used to call for extraordinary mandatory redemption pursuant to the First Supplemental Indenture an amount of Series 2019 Bonds equal to the amount of money transferred to the Series 2019 Prepayment Account pursuant to the aforesaid provision, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in the First Supplemental Indenture.

Series 2019 Revenue Account

Pursuant to the First Supplemental Indenture, Series 2019 Special Assessments (except for Series 2019 Prepayments which shall be identified as such by the District to the Trustee to be deposited in the Series 2019 Prepayment Account) shall be deposited by the Trustee into the Series 2019 Revenue Account which shall be applied as set forth in the Indenture.

The First Supplemental Indenture provides that the Trustee shall transfer from amounts on deposit in the Series 2019 Revenue Account of the Revenue Fund to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, not later than the Business Day preceding each May 1 and November 1, to the Series 2019 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2019 Bonds due on such May 1 or November 1, less any amounts on deposit in the Series 2019 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each May 1, to the Series 2019 Principal Account of the Debt Service Fund, an amount equal to the principal amount of Series 2019 Bonds Outstanding and maturing on such May 1, if any, less any amounts on deposit in the Series 2019 Principal Account not previously credited;

THIRD, no later than the Business Day next preceding each May 1, to the Series 2019 Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Series 2019 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2019 Sinking Fund Account not previously credited;

FOURTH, upon receipt but no later than the Business Day next succeeding each Interest Payment Date, to the Series 2019 Debt Service Reserve Account an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2019 Debt Service Reserve Requirement;

FIFTH, notwithstanding the foregoing, at any time the Series 2019 Bonds are subject to redemption on a date which is not a May 1 or November 1 Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2019 Interest Account the amount necessary to pay interest on the Series 2019 Bonds subject to redemption on such date; and

SIXTH, subject to the following paragraph, the balance of any moneys remaining after making the foregoing deposits shall remain in the Series 2019 Revenue Account unless pursuant to the Arbitrage Certificate it is necessary to make a deposit into the Rebate Fund, in which case the District shall direct the Trustee in writing to make such deposit thereto.

On or after each November 2, the Trustee shall transfer to the District, at the District's written direction, the balance on deposit in the Series 2019 Revenue Account on such November 2 to be used for any lawful purpose of the District; provided, however, that on the date of such proposed transfer the amount on deposit in the Series 2019 Debt Service Reserve Account shall be equal to the Series 2019 Debt Service Reserve Requirement and, provided, further, that no notice of an Event of Default under the Indenture has been delivered to the Trustee, including the payment of Trustee's fees and expenses then due.

Series 2019 Acquisition and Construction Account

Amounts on deposit in the Series 2019 Acquisition and Construction Account and the subaccounts therein shall be applied to pay the Costs to acquire and construct the respective portion of the Series 2019 Project upon compliance with the requirements of the requisition provisions set forth in the Master Indenture and/or as otherwise provided in the Indenture.

After the Completion Date of the respective portion of the Series 2019 Project and after retaining in the respective subaccount of the Series 2019 Acquisition and Construction Account the amount, if any, of all remaining unpaid Costs of any portion of the respective portion of the Series 2019 Project set forth in the Consulting Engineer's Certificate establishing such Completion Date, any funds remaining in the respective subaccount of the Series 2019 Acquisition and Construction Account shall be transferred to and deposited into the Series 2019 General Account of the Series 2019 Bond Redemption Fund and applied to the extraordinary

mandatory redemption of the Series 2019 Bonds, and the respective subaccount of the Series 2019 Acquisition and Construction Account shall be closed.

Amounts on deposit in the Series 2019 Acquisition and Construction Subaccount - Parcel E-3a of the Series 2019 Acquisition and Construction Account shall be retained therein and shall not be available to pay Costs of the Parcel E-3a Project, unless and until the District has delivered to the Trustee a certificate, on which the Trustee may conclusively rely, to the effect that the sale of Parcel E-3a has closed, at which time proceeds on deposit in the Series 2019 Acquisition and Construction Subaccount - Parcel E-3a of the Series 2019 Acquisition and Construction Account shall be made available to the District to pay costs of the Parcel E-3a Project. If on [December 15, 2019] the District has not received notice from the Landowner that the sale of Parcel E-3a has closed, any amount remaining in the Series 2019 Acquisition and Construction Subaccount - Parcel E-3a of the Series 2019 Acquisition and Construction Account shall be transferred to and deposited in the Series 2019 General Account of the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds as prescribed in the First Supplemental Indenture.

Amounts on deposit in the Series 2019 Acquisition and Construction Subaccount - Parcel E-5 of the Series 2019 Acquisition and Construction Account shall be retained therein and shall not be available to pay Costs of the Parcel E-5 Project, unless and until the District has delivered to the Trustee a certificate, on which the Trustee may conclusively rely, to the effect that the sale of Parcel E-5 has closed, at which time proceeds on deposit in the Series 2019 Acquisition and Construction Subaccount - Parcel E-5 of the Series 2019 Acquisition and Construction Account shall be made available to the Master Developer (as defined herein) to pay costs of the Parcel E-5 Project. If on [June 15, 2019] the District has not received notice from the Landowner that the sale of Parcel E-5 has closed, any amount remaining in the Series 2019 Acquisition and Construction Subaccount - Parcel E-5 of the Series 2019 Acquisition and Construction Account shall be transferred to and deposited in the Series 2019 General Account of the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds as prescribed in the First Supplemental Indenture.

Amounts on deposit in the Series 2019 Acquisition and Construction Subaccount - Parcel E-7a of the Series 2019 Acquisition and Construction Account shall be retained therein and shall not be available to pay Costs of the Parcel E-7a Project, unless and until the District has delivered to the Trustee a certificate, on which the Trustee may conclusively rely, to the effect that the sale of Parcel E-7a has closed, at which time proceeds on deposit in the Series 2019 Acquisition and Construction Subaccount - Parcel E-7a of the Series 2019 Acquisition and Construction Account shall be made available to the Master Developer to pay costs of the Parcel E-7a Project. If on [June 15, 2019] the District has not received notice from the Landowner that the sale of Parcel E-7a has closed, any amount remaining in the Series 2019 Acquisition and Construction Subaccount - Parcel E-7a of the Series 2019 Acquisition and Construction Account shall be transferred to and deposited in the Series 2019 General Account of the Series 2019 Bond Redemption Fund and applied to the extraordinary mandatory redemption of the Series 2019 Bonds as prescribed in the First Supplemental Indenture.

In accordance with the provisions of the Indenture, upon the occurrence of an Event of Default with respect to the Series 2019 Bonds, the Series 2019 Bonds are payable solely from the Pledged Revenues and any other moneys held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the District acknowledges in the First Supplemental Indenture that, upon the occurrence of an Event of Default with respect to the Series 2019 Bonds, (i) the Pledged Revenues include, without limitation, all

amounts on deposit in the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, (ii) the Pledged Revenues may not be used by the District (whether to pay Costs of the Series 2019 Project or otherwise) without the consent of the Majority Owners of the Series 2019 Bonds and (iii) the Pledged Revenues may be used by the Trustee, at the written direction or with the written approval of the Majority Owners of the Series 2019 Bonds, to pay costs and expenses incurred in connection with the pursuit of remedies under the Indenture or as otherwise provided in the Master Indenture.

Series 2019 Costs of Issuance Account

Amounts in the Series 2019 Costs of Issuance Subaccount shall be applied by the Trustee to pay the costs relating to the issuance of the Series 2019 Bonds. Six months after the date of issuance of the Series 2019 Bonds, any moneys remaining in the Series 2019 Costs of Issuance Subaccount which have not been requisitioned by the District to pay costs relating to the issuance of the Series 2019 Bonds shall be deposited into the Series 2019 Acquisition and Construction Account and applied as set forth in the Indenture, and the Series 2019 Costs of Issuance Subaccount shall be closed.

Collateral Assignment

Contemporaneously with the issuance of the Series 2019 Bonds, the Master Developer[, the Landowner] and the District will enter into a Collateral Assignment and Assumption of Development and Contract Rights (the "Assignment Agreement"). The following is a description of the Assignment Agreement is qualified in its entirety by reference to the Assignment Agreement. Pursuant to the Assignment Agreement, the Master Developer collaterally assigns to the District all of Master Developer's development rights and contract rights relating to the Development (the "Development and Contract Rights") as security for the Landowner's payment and performance and discharge of its obligation to pay the Series 2019 Special Assessments levied against the Lands (as defined in the Assignment Agreement) when due. The assignment will become effective and absolute upon failure of the Landowner to pay the Series 2019 Special Assessments levied against the Lands owned by the Landowner. The Development and Contract Rights specifically excludes any such portion of the Development and Contract Rights which relate to any property which has been conveyed to a landowner resulting from the sale of any portion of the Lands in the ordinary course of business, the County, the City, the District, any applicable homeowner's association or other governing entity or association for the benefit of the Series 2019 Project. Pursuant to the Indenture, the District assigns its rights under the Assignment Agreement to the Trustee for the benefit of the Owners, from time to time, of the Series 2019 Bonds.

True-Up Agreement

In connection with the issuance of the Series 2019 Bonds, the District and Landowner will enter into an agreement pursuant to which the Landowner agrees to timely pay all Series 2019 Special Assessments on lands owned by the Landowner and subject to the Series 2019 Special Assessments and to pay, when requested by the District, any amount of Series 2019 Special Assessments allocated to unplatted acres in excess of the allocation in place at the time of issuance of the Series 2019 Bonds pursuant to the Methodology Report or any update thereto.

Events of Default

The Indenture provides that each of the following shall be an "Event of Default" under the Indenture with respect to the Series 2019 Bonds:

(a) if payment of any installment of interest on any Series 2019 Bond is not made when it becomes due and payable; or

(b) if payment of the principal or Redemption Price of any Series 2019 Bond is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or

(c) if the District, for any reason, fails to, or is rendered incapable of fulfilling its obligations under the Indenture or under the Act; or

(d) if the District proposes or makes an assignment for the benefit of creditors or enters into a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the District or any of its assets or revenues, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangement of debts, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the District and if such is not vacated, dismissed or stayed on appeal within ninety (90) days; or

(e) if the District defaults in the due and punctual performance of any other covenant in the Indenture or in any Series 2019 Bond and such default continues for sixty (60) days after written notice thereof that requires the same to be remedied shall have been given to the District by the Trustee, which notice may be given by the Trustee in its discretion and which notice shall be given by the Trustee at the written request of the Majority Owners of the Series 2019 Bonds; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such sixty (60) day period, no Event of Default shall be deemed to have occurred or exist if, and so long as the District shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or

(f) the Trustee withdraws more than twenty-five percent (25%) of the available funds from the Series 2019 Debt Service Reserve Account of the Debt Service Reserve Fund established to pay Debt Service Requirements for the Series 2019 Bonds and such amount is not replenished within twelve (12) months of the date of withdrawal (including from collections of delinquent Special Assessments); or

(g) more than twenty-five percent (25%) of the operation and maintenance assessments levied and collected directly by the District on District Lands subject to the Series 2019 Special Assessments securing the Series 2019 Bonds are not paid within ninety (90) days of the date such are due and payable ("Delinquent Direct Billed Operation and Maintenance Assessments").

The District covenants and agrees in the Indenture that upon the occurrence and continuance of an Event of Default, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of delinquent Special Assessments, the provisions for the foreclosure of liens of delinquent Special Assessments, and will take such

other appropriate remedial actions as shall be directed by the Trustee acting at the written direction of, and on behalf of, the Majority Owners, from time to time, of the Series 2019 Bonds. Notwithstanding anything to the contrary in the Indenture, and unless otherwise directed by the Majority Owners and allowed pursuant to Federal or State law, the District acknowledges and agrees that (i) upon failure of any property owner to pay an installment of Special Assessments collected directly by the District when due, that the entire Special Assessments related to the Series 2019 Bonds on the tax parcel as to which such delinquent Special Assessment pertains, with interest and penalties thereon, shall immediately become due and payable and the District shall cause to be commenced the necessary legal proceedings for the foreclosure of liens of delinquent Special Assessments related to the Series 2019 Bonds with respect to such tax parcel, including interest and penalties and (ii) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings as now provided by law in suits to foreclose mortgages. Notwithstanding anything to the contrary in the Indenture, the District shall be entitled to first recover from any foreclosure before such proceeds are applied to the payment of principal or interest on the Series 2019 Bonds, all fees and costs expended in connection with such foreclosure, regardless of whether such fees and costs are included as part of the Special Assessments.

Provisions Relating to Bankruptcy or Insolvency of Landowner

The provisions of this section shall apply both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel subject to at least five percent (5%) of the Series 2019 Special Assessments (an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"), except where such tax parcel shall be homestead property. For as long as any Series 2019 Bonds remain Outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Series 2019 Bonds or the Series 2019 Special Assessments, the District shall be obligated to act in accordance with direction from the Trustee with regard to all matters directly or indirectly affecting the Series 2019 Bonds or for as long as any Series 2019 Bonds remain Outstanding.

The District acknowledges and agrees in the Indenture that, although the Series 2019 Bonds may be issued by the District, the Owners of the Series 2019 Bonds are categorically a party with a financial stake in the transaction and, consequently, a party with a vested interest in a Proceeding. In the event of any Proceeding involving any Insolvent Taxpayer: (a) the District agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2019 Special Assessments, the Series 2019 Bonds or any rights of the Trustee under the Indenture that is inconsistent with any direction from the Trustee; provided, however, that the Trustee shall be deemed to have consented, on behalf of the Majority Owners of Outstanding Series 2019 Bonds, to the proposed action if the District does not receive a written response from the Trustee within forty-five (45) days following written request to a Responsible Officer of the Trustee for such consent; (b) the Trustee shall have the right, but is not obligated to (unless directed in writing by the Majority Owners of Outstanding Series 2019 Bonds and receipt by Trustee of indemnity satisfactory to the Trustee), (i) vote in any such Proceeding any and all claims of the District, except for any claims the District may have related to the District's operation and maintenance assessments or other claims unrelated to the Series 2019 Special Assessments or the Series 2019 Bonds and (ii) file any motion, pleading, plan or objection in any such Proceeding on behalf of the District, except for any claims the District may

have related to the District's operation and maintenance assessments or other claims unrelated to the Series 2019 Special Assessments or the Series 2019 Bonds, including without limitation, motions seeking relief from the automatic stay, dismissal of the Proceeding, valuation of the property belonging to the Insolvent Taxpayer, termination of exclusivity, and objections to disclosure statements, plans of liquidation or reorganization, and motions for use of cash collateral, seeking approval of sales or post-petition financing; and, if the Trustee chooses to exercise any such rights (or is directed in writing by the Majority Owners of Outstanding Series 2019 Bonds and receipt by Trustee of indemnity satisfactory to the Trustee), the District shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of exercising any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including, without limitation, the right to file and/or prosecute any claims, to propose and prosecute a plan, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the United States Bankruptcy Code; and (c) the District shall not challenge the validity or amount of any claim submitted in such Proceeding by the Trustee in good faith or any valuations of the lands owned by any Insolvent Taxpayer submitted by the Trustee in good faith in such Proceeding or take any other action in such Proceeding, which is adverse to the Trustee's enforcement of the District claim with respect to the Series 2019 Special Assessments or receipt of adequate protection (as that term is defined in the United States Bankruptcy Code). Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right (i) to file a proof of claim with respect to the Series 2019 Special Assessments, (ii) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim.

Enforcement and Collection of Series 2019 Special Assessments

The primary sources of payment for the Series 2019 Bonds are the Series 2019 Special Assessments imposed on each landowner within the District which are specially benefited by the Series 2019 Project. To the extent that landowners fail to pay such Series 2019 Special Assessments, delay payments, or are unable to pay such Series 2019 Special Assessments, the successful pursuit of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2019 Bonds. The Act provides for various methods of collection of delinquent taxes by reference to other provisions of the Florida Statutes. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein for a summary of special assessment payment and collection procedures appearing in the Florida Statutes.

Pursuant to the Indenture, the Series 2019 Special Assessments shall be directly collected and enforced by the District pursuant to the provisions of the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto; provided, however, Series 2019 Special Assessments levied on platted lots not owned by the Master Developer or the Landowner and pledged hereunder to secure the Series 2019 Bonds will be collected pursuant to the uniform method for the levy, collection and enforcement of Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, as amended (the "Uniform Method"). The District covenants in the Indenture to enter into a Property Appraiser and Tax Collector Agreement with the County in order to comply with the provisions of the Indenture.

Notwithstanding the immediately preceding paragraph or any other provision in the Indenture to the contrary, upon the occurrence of an Event of Default, if the Trustee, acting at the written direction of the Majority Owners of the Series 2019 Bonds, requests that the District

not use the Uniform Method, but instead collect and enforce Series 2019 Special Assessments pursuant to another available method under the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto, then the District shall collect and enforce said Series 2019 Special Assessments in the manner and pursuant to the method so requested by the Trustee.

Any Series 2019 Special Assessments that are not collected pursuant to the Uniform Method shall be billed directly to the applicable landowner and be payable not later than thirty (30) days prior to each Interest Payment Date.

The District covenants and agrees in the Indenture that upon the occurrence and continuance of an Event of Default, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of delinquent Special Assessments, and the provisions for the foreclosure of liens of delinquent Special Assessments and will take such other appropriate remedial actions as shall be directed by the Trustee acting at the written direction of, and on behalf of, the Majority Owners, from time to time, of the Series 2019 Bonds.

If the owner of any lot or parcel of land assessed for the Series 2019 Project shall be delinquent in the payment of any Series 2019 Special Assessment, then such Series 2019 Special Assessment shall be enforced pursuant to the provisions of Chapter 197, Florida Statutes, or any successor statute thereto, including but not limited to the sale of tax certificates and tax deeds as regards such delinquent Series 2019 Special Assessment. In the event the provisions of Chapter 197, Florida Statutes, and any provisions of the Act with respect to such sale are inapplicable by operation of law, then upon the delinquency of any Series 2019 Special Assessment the District may, to the extent permitted by law, utilize any other method of enforcement as provided in the Master Indenture, including, without limitation, declaring the entire unpaid balance of such Series 2019 Special Assessment to be in default and, at its own expense, cause such delinquent property to be foreclosed, pursuant to the provisions of Section 170.10, Florida Statutes, in the same method now or hereafter provided by law for the foreclosure of mortgages on real estate, or pursuant to the provisions of Chapter 173, Florida Statutes, and Sections 190.026 and 170.10, Florida Statutes, or otherwise as provided by law.

If any property shall be offered for sale for the nonpayment of any Series 2019 Special Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2019 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount equal to the balance due on the Series 2019 Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive in its corporate name or in the name of a special purpose entity title to the property for the benefit of the Owners of the Series 2019 Bonds; provided that the Trustee shall have the right, acting at the written direction of the Majority Owners of the Series 2019 Bonds, but shall not be obligated, to direct the District with respect to any action taken pursuant to this Section. The District, either through its own actions, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2019 Revenue Account. The District, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall be required to take the measures provided by law for sale of property acquired by it as trustee for the Owners of the Series 2019 Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners of the Series 2019 Bonds.

THERE CAN BE NO ASSURANCE THAT ANY SALE, PARTICULARLY A BULK SALE, OF LAND SUBJECT TO DELINQUENT ASSESSMENTS WILL PRODUCE PROCEEDS SUFFICIENT TO PAY THE FULL AMOUNT OF SUCH DELINQUENT ASSESSMENTS PLUS OTHER DELINQUENT TAXES AND ASSESSMENTS APPLICABLE THERETO.

Additional Covenants Regarding Assessments

The District covenants in the Indenture to comply with the terms of the proceedings heretofore adopted with respect to the Series 2019 Special Assessments, including the Assessment Resolutions and the Assessment Methodology (each as defined in the First Supplemental Indenture), and to levy the Series 2019 Special Assessments and any required true-up payments set forth in the Assessment Methodology, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2019 Bonds, when due.

Prepayment

At any time any owner of property subject to the Series 2019 Special Assessments may, at its option, or under certain circumstances described in the Assessment Resolutions in connection with Series 2019 Prepayments derived from application of the "true-up" mechanism therein, require the District to reduce or release and extinguish the lien upon its property by virtue of the levy of the Series 2019 Special Assessments by paying to the District all or a portion of the Series 2019 Special Assessment which shall constitute Series 2019 Prepayments as directed in writing by the District pursuant to the provisions of the First Supplemental Indenture, plus accrued interest to the next succeeding Redemption Date (or the second succeeding Redemption Date if such prepayment is made within forty-five (45) calendar days before a Redemption Date), attributable to the property subject to Series 2019 Special Assessment owned by such owner; provided, however, to the extent that such payments are to be used to redeem Series 2019 Bonds in the event the amount in the Series 2019 Debt Service Reserve Account will exceed the Series 2019 Debt Service Reserve Requirement as a result of a Series 2019 Prepayment and the resulting redemption of Series 2019 Bonds, the excess amount above the Series 2019 Debt Service Reserve Requirement shall be transferred from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund, as a credit against the Series 2019 Prepayment otherwise required to be paid by the owner of such lot or parcel, upon written instructions of the District together with a certificate of a Responsible Officer of the District stating that, after giving effect to such transfers sufficient moneys will be on deposit in the Series 2019 Debt Service Reserve Account to equal or exceed the Series 2019 Debt Service Reserve Requirement and accompanied by cash flows which demonstrate that, after giving effect to the proposed redemption of Series 2019 Bonds, there will be sufficient Pledged Revenues to pay the principal and interest, when due, on all Series 2019 Bonds that will remain Outstanding. The written instructions shall be delivered to the Trustee on the 46th day prior to a Redemption Date.

Upon receipt of Series 2019 Prepayments as described above, which includes accrued interest to the next succeeding Redemption Date (or the second succeeding Redemption Date if such prepayment is made within forty-five (45) calendar days before a Redemption Date), subject to satisfaction of the conditions set forth therein, the District shall immediately pay the amount so received to the Trustee and clearly identify in writing such amounts as a Series 2019 Prepayment and the District shall take such action as is necessary to record in the official records of the County an affidavit or affidavits, as the case may be, executed by the District Manager, to the effect that the Series 2019 Special Assessment has been paid in whole or in

part and that such Series 2019 Special Assessment lien is thereby reduced, or released and extinguished, as the case may be. Upon receipt of any such moneys from the District the Trustee shall immediately deposit the same into the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund to be applied in accordance with the First Supplemental Indenture, to the redemption of Series 2019 Bonds in accordance with the First Supplemental Indenture.

Re-Assessment

Pursuant to the Master Indenture, if any Special Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the District shall be satisfied that any such Special Assessment is so irregular or defective that the same cannot be enforced or collected, or if the District shall have omitted to make such Special Assessment when it might have done so, the District shall either (i) take all necessary steps to cause a new Special Assessment to be made for the whole or any part of said improvement or against any property benefitted by said improvement, or (ii) in its sole discretion, make up the amount of such Special Assessment from any legally available moneys, which moneys shall be deposited into the applicable Series Account in the Revenue Fund. In case such second Special Assessment shall be annulled, the District shall obtain and make other Special Assessments until a valid Special Assessment shall be made.

ENFORCEMENT OF ASSESSMENT COLLECTIONS

General

The primary source of payment for the Series 2019 Bonds is the revenues received by the District from the collection of Series 2019 Special Assessments imposed on certain lands in the District specially benefitted by the Series 2019 Project pursuant to the Methodology Report and Assessment Proceedings. See "ASSESSMENT METHODOLOGY" herein and "APPENDIX B - Methodology Report" attached hereto.

The imposition, levy, and collection of Series 2019 Special Assessments must be done in compliance with the provisions of Florida law. Failure by the District, the Duval County Tax Collector (the "Tax Collector") or the Duval County Property Appraiser (the "Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2019 Special Assessments during any year. Such delays in the collection of Series 2019 Special Assessments, or complete inability to collect any Series 2019 Special Assessments, would have a material adverse effect on the ability of the District to make full or punctual payment of the Debt Service Requirements on the Series 2019 Bonds. See "BONDOWNERS' RISKS" herein. To the extent that landowners fail to pay the Series 2019 Special Assessments, delay payments, or are unable to pay the same, the successful pursuance of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2019 Bonds.

For the Series 2019 Special Assessments to be valid, the Series 2019 Special Assessments must meet two requirements: (1) the benefit from the Series 2019 Project to the lands subject to the Series 2019 Special Assessments must exceed or equal the amount of the Series 2019 Special Assessments, and (2) the Series 2019 Special Assessments must be fairly and reasonably allocated across all such benefitted properties. The Assessment Consultant will certify that these requirements have been met with respect to the Series 2019 Special Assessments.

Pursuant to the Act, and the Assessment Proceedings, the District may collect the Series 2019 Special Assessments through a variety of methods. See "BONDOWNERS' RISKS" herein. Initially, and for undeveloped properties owned by the Landowner and subsequent landowners, the District will directly issue annual bills to landowners requiring payment of the Series 2019 Special Assessments, and will enforce that bill through foreclosure proceedings. See "ASSESSMENT METHODOLOGY" herein and "APPENDIX B - Methodology Report" attached hereto. As lands are platted, the Series 2019 Special Assessments will be added to the applicable County tax roll and collected pursuant to the Uniform Method. The following is a description of certain statutory provisions relating to each of these collection methods. Such description is not intended to be exhaustive and is qualified in its entirety by reference to such statutes.

Direct Billing & Foreclosure Procedures

As noted above, and pursuant to Chapter 170, Florida Statutes, and the Act, the District may directly levy, collect and enforce the Series 2019 Special Assessments. In this context, Section 170.10, Florida Statutes, provides that upon the failure of any property owner to timely pay all or any part of the annual installment of principal and/or interest of a special assessment due, including the Series 2019 Special Assessments, the whole assessment, with the interest and penalties thereon, shall immediately become due and payable and subject to foreclosure. Generally stated, the governing body of the entity levying the special assessment, in this case the District, may foreclose by commencing a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or, alternatively, by commencing an action under Chapter 173, Florida Statutes, which relates to foreclosure of municipal tax and special assessment liens. Such proceedings are in rem, meaning that the action would be brought against the land, and not against the landowner. In light of the one year tolling period required before the District may commence a foreclosure action under Chapter 173, Florida Statutes, it is likely the District would commence an action to foreclose in the same manner as the foreclosure of a real estate mortgage rather than proceeding under Chapter 173, Florida Statutes.

Enforcement of the obligation to pay Series 2019 Special Assessments and the ability to foreclose the lien of such Series 2019 Special Assessments upon the failure to pay such Series 2019 Special Assessments may not be readily available or may be limited because enforcement is dependent upon judicial action which is often subject to discretion and delay. Additionally, there is no guarantee that there will be demand for any foreclosed lands sufficient to repay the Series 2019 Special Assessments. See "BONDOWNERS' RISKS" herein.

Uniform Method Procedure

Subject to certain conditions, and for developed lands, the District may alternatively elect to collect the Series 2019 Special Assessments using the Uniform Method. The Uniform Method is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Series 2019 Special Assessments to be levied and then collected in this manner.

If the Uniform Method is used, the Series 2019 Special Assessments will be collected together with County, school, special district, and other ad valorem taxes and non-ad valorem assessments (together, "Taxes and Assessments"), all of which will appear on the tax bill (also referred to as a "tax notice") issued to each landowner in the District. The statutes relating to enforcement of Taxes and Assessments provide that such Taxes and Assessments become due

and payable on November 1 of the year when assessed, or as soon thereafter as the certified tax roll is received by the Tax Collector, and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such Taxes and Assessments, including the Series 2019 Special Assessments, are to be billed, and landowners in the District are required to pay, all Taxes and Assessments without preference in payment of any particular increment of the tax bill, such as the increment owing for the Series 2019 Special Assessments.

All Taxes and Assessments are payable at one time, except for partial payment schedules as may be provided by Florida law such as Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full. Therefore, in the event the Series 2019 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item would cause the Series 2019 Special Assessments to not be collected to that extent, which could have a significant adverse effect on the ability of the District to make full or punctual payment of the Debt Service Requirements on the Series 2019 Bonds.

Under the Uniform Method, if the Series 2019 Special Assessments are paid during November when due or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. All unpaid Taxes and Assessments become delinquent on April 1 of the year following assessment.

The Tax Collector is required to collect the Taxes and Assessments on the tax bill prior to April 1 and, after that date, to institute statutory procedures upon delinquency to collect such Taxes and Assessments through the sale of "tax certificates," as discussed below. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process. Neither the District nor the Underwriter can give any assurance to the holders of the Series 2019 Bonds (1) that the past experience of the Tax Collector with regard to tax and special assessment delinquencies is applicable in any way to the Series 2019 Special Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2019 Special Assessments, (3) that a market may exist in the future for tax certificates in the event of sale of such certificates for taxable units within the District, and (4) that the eventual sale of tax certificates for real property within the District, if any, will be for an amount sufficient to pay amounts due under the Assessment Proceedings to discharge the lien of the Series 2019 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2019 Special Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Series 2019 Special Assessments due. Prior to the sale of tax certificates, the landowner may bring current the delinquent Taxes and Assessments and cancel the tax certificate process by paying the total amount of delinquent Taxes and Assessments plus all applicable interest, costs and charges. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates by public bid to the person who pays the delinquent Taxes and Assessments owing, and any applicable interest, costs and charges, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%).

If there are no bidders, the tax certificate is issued to the County. The County is to hold, but not pay for, the tax certificate with respect to the property, bearing interest at the maximum legal rate of interest, which is currently 18%. The Tax Collector does not collect any money if tax certificates are issued, or "struck off," to the County. The County may sell such certificates to the public at any time after issuance, but before a tax deed application is made, at the face amount thereof plus interest at the rate of not more than 18% per annum, costs and charges. Proceeds from the sale of tax certificates are required to be used to pay Taxes and Assessments (including the Series 2019 Special Assessments), interest, costs and charges on the real property described in the certificate.

Any tax certificate in the hands of a person other than the County may be redeemed and canceled, in whole or in part (under certain circumstances), at any time before a tax deed is issued (unless full payment for a tax deed is made to the clerk of court, including documentary stamps and recording fees), at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, and charges due. Regardless of the interest rate actually borne by the certificates, persons redeeming tax certificates must pay a minimum interest rate of 5%, unless the rate borne by the certificates is zero percent. The proceeds of such a redemption are paid to the Tax Collector who transmits to the holder of the tax certificate such proceeds less service charges, and the certificate is canceled. Redemption of tax certificates held by the County is effected by purchase of such certificates from the County, as described above.

Any holder, other than the County, of a tax certificate that has not been redeemed has seven (7) years from the date of issuance of the tax certificate during which to act against the land that is the subject of the tax certificate. After an initial period ending two (2) years from April 1 of the year of issuance of a certificate, during which period actions against the land are held in abeyance to allow for sales and redemptions of tax certificates, and before the expiration of seven (7) years from the date of issuance, the holder of a certificate may apply for a tax deed to the subject land. The applicant is required to pay to the Tax Collector at the time of application all amounts required to redeem or purchase all other outstanding tax certificates covering the land, plus interest, any omitted taxes or delinquent taxes and interest, and current taxes, if due (as well as any costs of resale, if applicable). If the County holds a tax certificate on property valued at \$5,000 or more and has not succeeded in selling it, the County must apply for a tax deed two (2) years after April 1 of the year of issuance of the certificate or as soon thereafter as is reasonable. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding certificates covering the land. Thereafter, the property is advertised for public sale.

In any such public sale conducted by the Clerk of the Circuit Court, the private holder of the tax certificate who is seeking a tax deed for non-homestead property is deemed to submit a minimum bid equal to the amount required to redeem the tax certificate, charges for the cost of sale, including costs incurred for the service of notice required by statute, redemption of other tax certificates on the land, and all other costs to the applicant for the tax deed, plus interest thereon. In the case of homestead property, the minimum bid is also deemed to include, in addition to the amount of money required for the minimum bid on non-homestead property, an amount equal to one-half of the latest assessed value of the homestead. If there are no higher bids, the holder receives title to the land, and the amounts paid for the certificate and in applying for a tax deed are credited toward the purchase price. The holder is also responsible for payment of any amounts included in the bid not already paid, including but not limited to, documentary stamp tax, recording fees, and, if property is homestead property, the moneys to cover the one-half value of the homestead. If there are other bids, the holder may enter the

bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, together with all subsequent unpaid taxes plus the costs and expenses of the application for deed, with interest on the total of such sums, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts for deeds, and other lienholders and any other person to whom the land was last assessed on the tax roll for the year in which the land was assessed, all as their interest may appear. If the property is purchased for an amount in excess of the statutory bid of the certificate holder, but such excess is not sufficient to pay all governmental liens of record, the excess shall be paid to each governmental unit pro rata.

Except for certain governmental liens and certain restrictive covenants and restrictions, no right, interest, restriction or other covenant survives the issuance of a tax deed. Thus, for example, outstanding mortgages on property subject to a tax deed would be extinguished.

If there are no bidders at the public sale, the clerk shall enter the land on a list entitled "lands available for taxes" and shall immediately notify the County Commission that the property is available. At any time within ninety (90) days from the date the property is placed on the list, the County may purchase the land for the opening bid, or may waive its rights to purchase the property. Thereafter, and without further notice or advertising, any person, the County or any other governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum bid. Three (3) years from the date the property was offered for sale, unsold lands escheat to the County in which they are located, free and clear, and all tax certificates and liens against the property are canceled and a deed is executed vesting title in the governing board of such County.

There can be no guarantee that the Uniform Method will result in the payment of Series 2019 Special Assessments. For example, the demand for tax certificates is dependent upon various factors, which include the rate of interest that can be earned by ownership of such certificates and the underlying value of the land that is the subject of such certificates and which may be subject to sale at the demand of the certificate holder. Therefore, the underlying market value of the property within the District may affect the demand for certificates and the successful collection of the Series 2019 Special Assessments, which are the primary source of payment of the Series 2019 Bonds. Additionally, legal proceedings under Federal bankruptcy law brought by or against a landowner who has not yet paid his or her property taxes or assessments would likely result in a delay in the sale of tax certificates. See "BONDOWNERS' RISKS" herein.

THE DISTRICT

General

The District is a local unit of special purpose government duly organized and existing under the provisions of the Act and established by the Ordinance. The boundaries of the District include approximately 1,249.7 acres located entirely within the City.

Legal Powers and Authority

The Act was enacted in 1980 to provide a uniform method for the establishment of independent districts to manage and finance basic community development services, including capital infrastructure required for community developments throughout the State. The Act provides legal authority for community development districts (such as the District) to finance the acquisition, construction, operation and maintenance of the major infrastructure for community development.

The Act provides that community development districts have the power to issue general obligation, revenue and special assessment revenue debt obligations in any combination to pay all or part of the cost of infrastructure improvements authorized under the Act. The Act further provides that community development districts have the power under certain conditions to levy and assess ad valorem taxes or non-ad valorem assessments, including the Series 2019 Special Assessments, on all taxable real property within their boundaries to pay the principal of and interest on debt obligations issued and to provide for any sinking or other funds established in connection with any such debt obligation issues. Pursuant to the Act, such assessments may be levied, collected and enforced in the same manner and time as county property taxes.

Among other provisions, the Act gives the District's Board of Supervisors the authority to (a) finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for: (i) water management and control for lands within the District and to connect any of such facilities with roads and bridges; (ii) water supply, sewer and wastewater management reclamation and re-use systems or any combination thereof, and to construct and operate connecting intercept or outlet sewers and sewer mains and pipes and water mains, conduits, or pipelines in, along, and under any street, alley, highway, or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system; (iii) District roads equal to or exceeding the applicable specifications of the county in which such District roads are located; roads and improvements to existing roads that are owned by or conveyed to the local general-purpose government, the State, or the federal government; street lights; alleys; landscaping; hardscaping; and the undergrounding of electric utility lines; buses, trolleys, transit shelters, ridesharing facilities and services, parking improvements, and related signage; (iv) conservation areas, mitigation areas, and wildlife habitat, including the maintenance of any plant or animal species, and any related interest in real or personal property; (v) any other project, facility or service required by a development approval, interlocal agreement, zoning condition, or permit issued by a governmental authority with jurisdiction in the District; and with the consent of the local general-purpose government within the jurisdiction of which the power is to be exercised, parks and facilities for indoor and outdoor recreational uses; and security, including, but not limited to, guardhouses, fences and gates, and electronic intrusion-detection systems; (b) borrow money and issue bonds of the District; (c) levy, collect and enforce special assessments; (d) impose and foreclose special assessment liens as provided in the Act; and (e) exercise all other powers, necessary, convenient, incidental or proper in connection with any of the powers or duties of the District authorized by the Act.

The Act does not empower the District to adopt and enforce land use plans or zoning ordinances and the Act does not empower the District to grant building permits. These functions are collectively performed by the County and its departments of government.

The Act exempts all property of the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of any owner of bonds of the District to

pursue any remedy for enforcement of any lien or pledge of the District in connection with such bonds, including the Series 2019 Bonds.

Board of Supervisors

The Act provides for a five-member Board of Supervisors (the "Board") to serve as a governing body of the District. Members of the Board must be residents of the State and citizens of the United States. Pursuant to the Act, six (6) years after establishment and after 250 qualified electors reside within the District, the seats of Board members whose terms expire are filled by votes of the qualified electors of the District. A qualified elector is a registered voter who is a resident of the District and the State and a citizen of the United States. Members serve four year terms with staggered expiration dates in the manner set forth in the Act. The current members of the Board and their respective term expiration dates are set forth below.

<u>Name</u>	<u>Title</u>	<u>Expiration of Term</u>
Richard T. Ray*	Chairman	November, 2022
John Holmes	Vice Chairman	November, 2020
John S. Hewins	Assistant Secretary	November, 2022
Stephen Grossman	Assistant Secretary	November, 2020
Chris Price	Assistant Secretary	November, 2020

*Affiliate or employee of the Master Developer and/or Landowner.

The Act empowers the Board to adopt administrative rules and regulations with respect to any projects of the District, and to enforce penalties for the violation of such rules and regulations. The Act permits the Board to levy taxes under certain conditions, and to levy special assessments, and to charge, collect and enforce fees and user charges for use of District facilities.

District Manager and Other Consultants

The Act authorizes the Board to hire a District Manager as the chief administrative official of the District. The Act provides that the District Manager shall have charge and supervision of the works of the District and shall be responsible for (i) preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of the Act, (ii) maintaining and operating the equipment owned by the District, and (iii) performing such other duties as may be prescribed by the Board.

Governmental Management Services, LLC, has been retained as the firm to provide district management services for the District (in that capacity, the "District Manager"). The District Manager is actively involved in the management of 125 special districts throughout the State. The District Manager's office is located at 475 West Town Place, Suite 114, St. Augustine, Florida 32092 and their phone number is (904) 940-5850.

The District Manager's typical responsibilities can briefly be summarized as directly overseeing and coordinating the District's planning, financing, purchasing, staffing, and reporting and acting as governmental liaison for the District. The District Manager's responsibilities also include requisitioning moneys to pay construction contracts and the related accounting and reporting that is required by the Indenture.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Bryant Miller Olive P.A., Orlando, Florida, as Bond Counsel; Hopping Green & Sams P.A., Tallahassee, Florida, as District Counsel; England, Thims & Miller, Inc., Jacksonville, Florida, as District Engineer; and Governmental Management Services, LLC, St. Augustine, Florida, as Assessment Consultant to prepare the Methodology Report attached hereto as APPENDIX B.

THE CAPITAL IMPROVEMENT PROGRAM

The District's Engineer has prepared the Master Engineer's Report dated July 2018 (the "Master Engineer's Report") describing the capital improvement program (the "CIP") for the District which is estimated to cost approximately \$76.1 million consisting of \$17.7 million for master infrastructure improvements (the "Master CIP") and \$58.3 million for neighborhood infrastructure improvements (the "Neighborhood CIP"). The Master CIP includes improvements associated with E-Town Parkway such as utilities, landscape and irrigation, hardscape, signage, electric, and lighting as well as recreational facilities associated with the District. The Master CIP does not include the actual costs of the construction of E-Town Parkway which are being funded directly by the Master Developer as more fully described under the heading "THE DEVELOPMENT - Development Financing." The Neighborhood CIP includes infrastructure for each planned neighborhood including engineering/permitting, clearing and grubbing, earthwork, collector roadways and associated drainage, underground conduit to facilitate street lighting, landscaping, hardscape, irrigation, neighborhood signage, neighborhood parks, neighborhood amenity centers, sewage pump stations, water/sewer/reuse transmission lines and subdivision roadways and associated drainage. Enumeration of the costs of the CIP are provided in the table below.

<u>Cost Category</u>	<u>Estimated Cost</u>
Master CIP	
E-Town Parkway/R.G. Skinner Parkway Utilities,	
Landscaping, Hardscaping and Electric	\$10,008,034
Master Recreational Improvements	7,728,000
Total Master CIP	\$17,736,034
Neighborhood CIP	\$58,368,000
Total	\$76,104,034

Proceeds of the Series 2019 Bonds will be utilized to construct and/or acquire a portion of the Master CIP in the approximate amount of \$10.0 million. That portion of the Master CIP funded with the proceeds of the Series 2019 Bonds is referred to herein as the "Series 2019 Project." Detailed information concerning the Series 2019 Project is contained within the Supplemental Engineer's Report dated January 2019 (the "Supplemental Engineer's Report" and together with the Master Engineer's Report, the "Engineer's Report"). The Master Developer estimates that it has expended \$[] million towards the Series 2019 Project.

It is the intent of the District to issue one additional Series of Bonds to fund additional portions of the Master CIP. The remainder of the Master CIP not funded with proceeds of the Series 2019 Bonds or future Series of Bonds will be funded by the Master Developer. The Master Developer will enter into a Completion Agreement whereby the Master Developer will agree to complete those portions of the Master CIP not funded with proceeds of the Series 2019 Bonds or future Series of Bonds. The District cannot make any representation that the Master Developer will have sufficient funds to complete the Master CIP.

As it relates to the District's Neighborhood CIP, each parcel purchaser will construct their own neighborhood infrastructure improvements. One or more of the land purchasers may request that the District issue additional Bonds to fund neighborhood infrastructure improvements located within their respective tract. As discussed further herein under the heading "THE DEVELOPMENT - Fees and Assessments," currently one parcel purchaser, Pulte Homes, has expressed its interest to the District for it to issue Bonds to fund a portion of the District's Neighborhood CIP for Parcel E-3a.

ASSESSMENT METHODOLOGY

Governmental Management Services, LLC, (the "Assessment Consultant") has prepared the Master Assessment Methodology Report (the "Master Report") and the Supplemental Assessment Methodology Report (the "Supplemental Report," and together with the Master Report, the "Methodology Report") attached hereto as APPENDIX B. In the case of the Master CIP, the special assessments are initially levied over the entire District on an equal acreage basis. As parcels of land are sold by the Landowner with specific entitlements assigned thereto or parcels are platted, the special assessments are then allocated to such parcel or parcels based upon the amount of transferred entitlements or units platted. In the case of the Neighborhood CIP, the special assessments are initially levied on the benefitted parcel on an equal acreage basis and then on a per unit basis as platting occurs.

As stated herein, the District is issuing its Series 2019 Bonds to construct and/or acquire a portion of the Master CIP and anticipates issuing an additional Series of Bonds to fund additional portions of the Master CIP. The table below illustrates the estimated principal and annual Series 2019 Special Assessments for the various product types planned within the District.

Product Type	Est. Series 2019 Special Assessments Principal Per Unit/Square Foot	Est. Series 2019 Special Assessments Annual Debt Service Per Unit/Square Foot
Single Family	\$11,512	\$838
Age-Restricted Single Family	5,570	405

THE LANDOWNER

The following information appearing under the captions "THE LANDOWNER," "THE MASTER DEVELOPER" and "THE DEVELOPMENT" has been furnished by the Master Developer and/or the Landowner and related entities for inclusion in this Limited Offering Memorandum as a means for the prospective Bondholders to understand the anticipated development plan and risks associated with the Development and the provision of infrastructure to the real property within the District. Although believed to be reliable, such information has not been independently verified by the District or its counsel, the Underwriter or its counsel, or Bond Counsel, and no persons other than the Master Developer and the Landowner, subject to certain qualifications and limitations, makes any representation or warranty as to the accuracy or completeness of such information. At the time of the issuance of the Series 2019 Bonds, the Master Developer and the Landowner will each represent in writing that the information herein, as it pertains to such party, under the captions "THE LANDOWNER," "THE MASTER DEVELOPER," "THE DEVELOPMENT" and "LITIGATION - Master Developer/Landowner" does not contain any untrue statement of a material fact and does not omit to state any material

fact necessary in order to make the statements made herein, in the light of the circumstances under which they are made, not misleading.

The Landowner's obligation to pay the Series 2019 Special Assessments is limited solely to the obligation of any landowner within the District. Neither the Master Developer nor the Landowner is a guarantor of payment on any property within the District and the recourse for the Landowner's failure to pay or otherwise comply with its obligations to the District is limited to its ownership interest in the land subject to the Series 2019 Special Assessments.

Other than the land sales within the District that have occurred to date as more fully described under the heading "THE DEVELOPMENT - Land Sales/Contract Activity" or the sale of certain lands to the Master Developer for the construction of E-Town Parkway and the planned recreational facilities, the lands within the District are owned by Eastland Timber, LLC, a Florida limited liability company (the "Landowner"). The Landowner is wholly-owned by Estuary, LLC, a Florida limited liability company and an investment company that is owned by certain members of the Davis Family and trusts established for the benefit of members of the Davis Family. Prior to the transfer of the lands to the Landowner in 2013, the lands constituting the District were previously owned by the Davis Family for more than [] years.

The District is wholly contained within the boundaries of the e-Town development, as defined further herein, and only includes for-sale residential tracts. It is the intent of the Landowner to sell undeveloped tracts of land within the District to developers/homebuilders for them to develop such tracts into finished lots for home construction thereon. Such purchasers will then develop the on-site infrastructure required for each respective tract.

Additional lands owned by entities affiliated with the Davis Family in St. Johns County and Duval County include certain undeveloped portions of the Nocatee project and the 25,000-acre Dee Dot Ranch located east of State Road 9B and north of the Nocatee project.

THE MASTER DEVELOPER

The Landowner has entered into an agreement with E-Town Development, Inc., a Florida corporation (the "Master Developer"), to serve in the capacity as the master developer for the District. The Master Developer is largely owned by members of Estuary, LLC who maintain a controlling ownership interest in the Master Developer. Roger M. O'Steen and Richard T. Ray, two of three principals of The PARC Group ("PARC"), a real estate development company established in 1989 primarily developing projects in the northeast Florida area, maintain the remaining minority ownership interest in the Master Developer.

The Master Developer has entered into a project management agreement with PARC Land Management, LLC, a Florida limited liability company ("PARC Land"), of which the membership interests are held by Mr. O'Steen and Mr. Ray. PARC Land's duties under the project management agreement are to provide business planning, project financing, land planning, engineering, construction oversight and marketing for the Master Developer. The Landowner has also entered into an agreement with PARC Land thereby providing for asset management services to the Landowner.

PARC has been named Developer of the Year for 13 consecutive years (2006 – 2018) by the Northeast Florida Builder's Association. In addition to the District, the following table summarizes some of the completed and active projects for which PARC or its affiliates serve as the master developer, most notably Nocatee, a master-planned community featuring over

11,000 single family homes, several million square feet of mixed-use space and extensive recreational amenities.

Project	Location	Description	Status
Crosswater at Pablo Bay	Duval County	288 single family lots	Completed
Pablo Creek Reserve	Duval County	271 single family lots	Completed
Hickory Village	Nassau County	253 single family lots	Completed
Pablo Bay	Duval County	449 single family lots	Completed
Marsh Creek C. C.	St. Johns County	670 single family lots	Completed
Reedy Branch Plantation	Duval County	203 single family lots	Completed
Timberlin Parc	Duval County	310 single family lots	Completed
Nocatee	St. Johns/Duval County	11,000 single family lots	Active

THE DEVELOPMENT

Overview

e-Town (the "Development") encompasses approximately [] acres located east of the Interstate 295 East Beltway and on both sides of State Road 9B. Direct access to the Development is via E-Town Parkway which will extend from north to south from the recently-constructed interchange at State Road 9B, through the Development, and will terminate at the existing R.G. Skinner Parkway at Atlantic Coast High School. State Road 9B currently connects County Road 2209 in St. Johns County to Interstate 295 in Duval County providing for quicker routes from St. Johns County to major highways such as Interstate 95, Philips Highway and Interstate 295.

The Development is located approximately 22 miles south of downtown Jacksonville and 15 miles west of Ponte Vedra Beach. The Jacksonville International Airport is approximately 30 miles northwest of the Development via Interstate 295 and the St. Augustine and St. Johns County Airport, a general aviation airport, is approximately 25 miles southeast of the Development.

The Development is centrally located to recreational opportunities, shopping and restaurants including the St. Johns Town Center, a 2.0 million square foot lifestyle center located seven miles northwest of the Development at the intersection of Interstate 295 and Butler Boulevard. The Avenues Mall, a multi-level shopping center offering more than 1.1 million square feet of enclosed retail shopping located at the merger of U.S. Highway 1 and Southside Boulevard in south Jacksonville, is approximately seven miles from the Development. Finally, a new approximately 700,000 square foot retail center known as Durbin Park is currently under construction and located approximately 11 miles southwest of the Development on the west side of Interstate 95.

Designed as a community centered around convenience, technology and sustainability, the Development consists of [] acres and is planned to include [] residential units in clustered neighborhoods and approximately [] square feet of commercial and retail uses situated around the interchange at the southern portion of the Development. The District is wholly contained within the boundaries of the Development and encompasses approximately [1,249.7] acres consisting of 11 single family residential tracts planned for 1,706 single family residential units. The remaining acreage of the Development, consisting of a residential tract

previously sold to Dream Finders Homes and planned for [] units and commercial tracts, is located outside of the boundaries of the District.

Land Acquisition

Other than the land sales within the District that have occurred to date as more fully described under the heading "THE DEVELOPMENT - Land Sales/Contract Activity" and the land sales to the Master Developer for the construction of E-Town Parkway and planned recreational facilities, the lands within the District are owned by Landowner. There are currently no mortgages on the land within the District owned by the Landowner. It is the intent of the Landowner to sell undeveloped tracts of land to developers/homebuilders for them to develop such tracts into finished lots for home construction thereon. Such purchasers will then develop the on-site infrastructure required for each respective tract.

Development Financing

The Master Developer anticipates utilizing proceeds of the Series 2019 Bonds to acquire and/or construct a portion of the Master CIP in the estimated amount of \$10.0 million. The District anticipates issuing a future Series of Bonds to fund a portion of the District's remaining Master CIP in the estimated amount of \$6.1 million. Further, the Master Developer anticipates utilizing equity to fund the remaining portions of the Master CIP not funded with proceeds of the Series 2019 Bonds or future Series of Bonds as well as the other development costs not included within the Master CIP (the "Developer Funded Improvements"), which includes the construction of E-Town Parkway running north/south through the Development. As discussed in more detail herein, the Master Developer will receive mobility fee credits for the construction of E-Town Parkway. The Master Developer estimates it has expended approximately \$[] million in development-related expenditures to date, including \$[] million towards the Master CIP and \$[] million towards to the Developer Funded Improvements.

Land Use Plan

The lands within the Development are intended to be developed into [12 neighborhoods] and various commercial tracts. As previously discussed herein, the District was established for a portion of the Development and consists of [1,249.7] acres constituting Tracts E-2, E-4, E-5, E-6, E-8 and all subphases of E-3 and E-7 within the Development. The information appearing in the table below illustrates the current land use plan for the residential and commercial portions of the Development, which information is subject to change.

[Remainder of Page Intentionally Left Blank]

Parcel	Acres	Single Family (attached and detached)	Age-Restricted (attached and detached)	Commercial
Parcels within District Boundaries				
Parcel E-2	73	222	-	-
Parcel E-3a	108	-	346	-
Parcel E-3b	26	81	-	-
Parcel E-3c	34	96	-	-
Parcel E-4	65	111	-	-
Parcel E-5	45	169	-	-
Parcel E-6	72	143	-	-
Parcel E-7a	39	124	-	-
Parcel E-7b	15	51	-	-
Parcel E-7c	40	225	-	-
Parcel E-8	70	138	-	-
Subtotal	[]	[]	[]	[]
Parcels outside District Boundaries				
Parcel E-1	148	-	-	[]
Parcel E-9	12	[]	-	-
Commercial W-1	161	-	-	[]
Subtotal	[]	[]	[]	[]
Total	[]	[]	[]	[]

Environmental Matters

Affiliates of the Landowner have owned the lands within the District for more than [] years and have not used, generated, manufactured or disposed of any hazardous substances on the lands within the District nor has the Landowner or its affiliates received any notice of violation of environmental laws for such lands. While the Landowner has not commissioned an environmental site assessment for the acreage within the District, each entity that has purchased or is currently under contract to purchase the property within the District has commissioned an environmental site assessment during the inspection periods provided for in their respective purchase and sale contracts other than Parcel E-7a which is still in the inspection period. The Phase I Environmental Site Assessments (the "Phase I ESAs") conducted by Environmental Services, Inc. for all sold and contracted parcels, as further identified herein under the heading "THE DEVELOPMENT - Land Sale/Contract Activity" have revealed no evidence of environmentally recognized conditions.

Land Use/Permitting

A portion of the lands within the District, specifically Parcels E-2, E-3a, E-4 and E-6 consisting of [] acres, are zoned as residential low density consistent with the City's underlying zoning and comprehensive plan. With the exception of [] lots in Parcel 3a approved for 40' wide lots, the minimum lot requirement for these parcels within the District are 50' wide lots. The remaining lands within the District consisting of approximately [] acres constituting Parcels E-3b, E-3c, E-5, E-8, and all subphases of E-7 are a part of a 626-acre tract that received zoning approval from the County as a planned unit development and allows for the development of up to 1,700 dwelling units in clustered developments providing for efficient

use of the lands and preservation of the conservation areas (the "e-Town PUD"). [additional disclosure may be required upon receipt of the PUD]

[As described in further detail in Supplemental Engineer's Report, the Southwest Florida Water Management District ("SWFWMD") Environmental Resource Permit ("ERP") was issued approving a stormwater management system and wetland mitigation for the Development including the lands within the District. Additionally, permitting from the U.S. Army Corps of Engineers ("USACE") for wetland mitigation and permitting from Florida Department of Environmental Protection ("FDEP") for the Development including lands comprising the District have been obtained.]

Upon issuance of the Series 2019 Bonds, the District Engineer will certify that any permits and approvals necessary for the infrastructure specific to the Master CIP that have not previously been obtained are expected to be obtained in the ordinary course of business.

In addition to the permits required for the Master CIP, permits for the development of the infrastructure for each of the residential parcels are required to be obtained. Each of the contract purchasers of the six tracts that have either purchased or are currently under contract to purchase lands within the District are in the process of obtaining or have obtained permits necessary for the commencement of development activities within their respective tracts.

Mobility Fee Contract

The Master Developer and the City entered into a mobility fee contract (the "Mobility Fee Contract") whereby the Master Developer will undertake the construction and dedication of certain regional transportation improvements including connecting State Road 9B to Baymeadows Road through the construction of E-Town Parkway, creating a secondary artery road and alleviating traffic for the surrounding area. The Master Developer in turn will be eligible for mobility fee credits associated with such improvements. The Mobility Fee Contract shall remain effective for seven years from its effective date of January 15, 2015, provided however the Master Developer can request a three year extension prior to the termination of the contract. The mobility fee credits received for the cost of construction of the roadway improvements can be redeemed at any time with no expiration date. The roadway improvements are estimated to cost \$[___], all of which will be funded by the Master Developer. Construction of the required roadway improvements has commenced and is expected to be complete by [___]. In exchange for designing, permitting, constructing and dedicating such roadway improvements and associated right-of-way to the City, the City has provided the Master Developer with mobility free credits totaling \$34,009,088 which are required to be purchased by each of the purchasers of land within the Development.

Land Sales/Contract Activity

As previously discussed herein, it is the intent of the Landowner to sell undeveloped tracts of land to developers/homebuilders for them to develop such tracts into finished lots for home construction thereon. To date, the Landowner has sold three residential tracts and a portion of a fourth planned for 661 residential units (the "Sold Parcels"). Further, the Landowner has entered into contracts for the sale of two additional residential tracts and the remaining portion of the fourth Sold Parcel planned for 454 residential units (each a "Contracted Parcel" and together, the "Contracted Parcels" and together with the Sold Parcels, the "2019 Bond Parcels"). The table below illustrates certain information pertaining to the aforementioned land sales and contract activity to date.

<u>Parcel</u>	<u>Purchaser</u>	<u>Estimated Units</u>
Contracted Parcels		
Parcel E-3a	Pulte Homes	161
Parcel E-5	ICI Homes	169
Parcel E-7	Providence Homes	<u>124</u>
<i>Subtotal</i>		454
Sold Parcels		
Parcel E-2	Weekley Homes	222
Parcel E-3a	Pulte Home	185
Parcel E-4	Toll Brothers	111
Parcel E-6	Toll Brothers	<u>143</u>
<i>Subtotal</i>		661
Total		1,115

As discussed in more detail below, contemporaneously with entering into a purchase and sales contract, each prospective buyer has entered into a development agreement with the Master Developer thereby providing for construction payments for the Master Developer to construct certain improvements to provide transportation and utility access to their respective tracts. Termination of either the development agreement or purchase and sale contract for each respective development tract will result in the concurrent termination of all agreements.

The narratives below provide a summary of the contract activity and development agreements for the 2019 Bond Parcels within the District. While the terms of the purchase and sale contracts and development agreements are subject to change until closing, the Landowner and the Master Developer do not anticipate material changes to the terms of the contracts that will significantly impact the sale of such lands.

Parcel E-2

On January 31, 2018, Weekley Homes, LLC, a Delaware limited liability company ("Weekley Homes"), acquired approximately 73 acres constituting Parcel E-2 of the Development and planned for 222 homesites for \$6,007,000 (the "Weekley Contract"). In conjunction with the Weekley Contract, Weekley Homes entered into a development agreement (the "Parcel E-2 Development Agreement") with the Master Developer that provided for the Master Developer to construct an extension of E-Town Parkway/R.G. Skinner Boulevard from the State Road 9B interchange to the entrance of Parcel E-2 and all related utilities including water, sewer, reuse and electric lines. Pursuant to the Parcel E-2 Development Agreement, Weekley Homes paid a construction payment to the Master Developer at closing in support of such improvements. The construction of such infrastructure was substantially completed by the Master Developer in December 2018.

Pursuant to the Weekley Contract, Weekley Homes purchased the lands constituting Parcel E-2 for purposes of development and sale of homes to retail buyers. If Weekley Homes intends to sell all or a portion of the land within Parcel E-2 to other developers/homebuilders, with the exception of certain approved buyers including AV/Avatar, Riverside, Pulte Homes, Mattamy Homes, Toll Brothers, Drees, Glenn Layton Homes and Providence Homes, the Landowner has the right of first refusal to repurchase the lands at an agreed upon repurchase price.

Pursuant to a nomination agreement dated [] by and between Weekley Homes and DRP CND-ICI, LLC, a Delaware limited liability company ("DRP"), which is affiliated with Weekley Homes, Weekley Homes assigned a portion of its rights, title and interest in the Weekley Contract and the Parcel E-2 Development Agreement to DRP.

Parcel E-3a

Pulte Home Company, LLC, a Michigan limited liability company ("Pulte Homes"), has entered into a purchase and sale contract with the Landowner for the purchase of the lands comprising Parcel E-3a, containing approximately 108 acres and planned to be developed as an age-restricted active adult community consisting of 346 single family residential homes (the "Pulte Contract"). Pulte Homes is required to purchase the land in two takedowns with the first takedown consisting of the southern portion of the parcel containing approximately [] acres planned for 186 residential units (the "South Parcel") and the second takedown consisting of the remaining approximately [] acres in the northern portion of the parcel planned for 160 residential units (the "North Parcel"). The first takedown of the South Parcel occurred on July 31, 2018, for a purchase price of \$3,317,000. The closing for the second takedown is scheduled for September 30, 2019, for a purchase price of \$6,634,000, subject to a 4% annual escalator compounded daily from the close of the first takedown until closing of the second takedown. However, Pulte Homes may elect to close earlier by providing for ten days prior written notice to the Landowner. An initial deposit of \$100,000 was made at execution of the Pulte Contract and will ultimately be applied to the purchase price of the second closing of the North Parcel.

Pulte Homes entered into a development agreement (the "Parcel E-3a Development Agreement") with the Master Developer that provides for the Master Developer to construct an extension of E-Town Parkway/R.G. Skinner Boulevard from the State Road 9B interchange to the entrance of the South Parcel and all related utilities including water, sewer, reuse and electric lines. Pursuant to the Parcel E-3a Development Agreement, Pulte Homes paid a construction payment to the Master Developer upon the purchase of the South Parcel in support of such improvements. The construction of such infrastructure improvements was substantially completed by the Master Developer in December 2018.

Parcel E-4 & Parcel E-6

On February 28, 2018, Toll Southeast LP Company, Inc., an affiliated entity of Toll Bros., Inc., a Pennsylvania corporation ("Toll Brothers"), acquired Tract E-4 containing approximately 65 acres and planned for 111 single family residential homes for \$4,889,000 (the "Toll Brothers Contract - Parcel E-4").

On May 1, 2018, Toll Brothers acquired Parcel E-6 totaling approximately 72 acres and planned for approximately 143 residential units for \$5,361,000 (the "Toll Brothers Contract - Parcel E-6") and together with the Toll Brothers Contract - Parcel E-4, the "Toll Brothers Contracts").

The Toll Brothers Contracts stipulate the lands constituting Parcel E-4 and Parcel E-6 are being purchased for the purpose of development and sale of homes to third party retail buyers and not for resale to other developers or homebuilders. As such, in the event Toll Brothers enters into a purchase and sales contract for all or a portion of the lands to other developers/homebuilders, the Landowner has the right of first refusal at an agreed upon repurchase price.

In conjunction with the execution of the Toll Brothers Contracts, development agreements were entered into with the Master Developer for each respective parcel that provides for the Master Developer to construct an extension of E-Town Parkway/R.G. Skinner Boulevard from the State Road 9B interchange to the entrance of Parcel E-4 and Parcel E-6 and all related utilities including water, sewer, reuse and electric lines (the "Toll Development Agreements"). Pursuant to the Toll Development Agreements, construction payments for both Parcel E-4 and Parcel E-6 were paid to the Master Developer at closing in support of such improvements and will be held in escrow under separate escrow agreements. The Master Developer will use good faith efforts to (i) substantially complete the required infrastructure under the Toll Development Agreements by no later than the later of April 30, 2019, or the date in which Toll Brothers has substantially completed its access road improvements within each respective parcel and has recorded its initial plat, and (ii) install all related utilities for the required roadway improvements and obtain final acceptance from the City no later than 90 days from the date established in the foregoing clause. Such infrastructure is expected to be complete by April 2019.

Parcel E-5

JAX Construction Holdings, LLC, a Florida limited liability company and an affiliate of ICI Homes ("ICI") has entered into a purchase and sale contract with the Landowner for the purchase of approximately 45 acres constituting Parcel E-5 in the Development and planned for 169 single family units (the "ICI Contract"). ICI initially provided a \$100,000 deposit three days from the effective date of the ICI Contract followed by an additional \$300,000 deposit within three days following the inspection period, all of which will be applied to the fixed purchase price upon close, which was established at \$2,200,000. The closing is slated to occur on February 28, 2019. However, ICI may elect to close earlier by providing for ten days prior written notice to the Landowner.

Contemporaneously with the ICI Contract, ICI has entered into a development agreement with the Master Developer for the construction of the extension of E-Town Parkway from the State Road 9B/R.G. Skinner Boulevard interchange to the entrance of Parcel E-5 and all related utilities including water, sewer, reuse and electric lines (the "Parcel E-5 Development Agreement"). Pursuant to the Parcel E-5 Development Agreement, ICI will pay at closing a construction payment to the Master Developer, \$1,000,000 of which will be held in escrow under an escrow agreement. The Master Developer will use good faith efforts to (i) substantially complete the required infrastructure under the Parcel E-5 Development Agreement by no later than October 31, 2019, and (ii) install all related utilities as well as obtain final acceptance of the roadway improvements by the City within 90 days of the foregoing clause. Such roadway improvements are expected to be complete April 2019.

ICI is purchasing the land constituting Parcel E-5 for purposes of development and sale of homes to third party retail buyers and not for resale to other developers or homebuilders. However, if ICI enters into a purchase and sale agreement for all or a portion of the lands constituting Parcel E-5, the Landowner has the right of first refusal at an agreed upon repurchase price. However, certain approved buyers exclude the Landowner from right of first refusal including Weekley Homes, Pulte Homes, Dostie, Riverside, Mattamy Homes, Toll Brothers, Drees, Glenn Layton Homes and Providence Homes.

Parcel E-7a

Providence Construction Company, a Florida corporation ("Providence"), has entered into a purchase and sale contract with the Landowner for the purchase of approximately 39 acres comprising Parcel E-7a of the Development and planned for 124 single family units (the "Providence Contract") for a fixed purchase price is \$3,550,000. A deposit of \$250,000 was made and will be credited to the fixed purchase price at close. The closing is slated to occur on February 28, 2019. However, Providence may elect to close earlier by providing for ten days prior written notice to the Landowner.

Providence has entered into a development agreement (the "Parcel E-7a Development Agreement") with the Master Developer that provides for the Master Developer to construct an extension of E-Town Parkway/R.G. Skinner Boulevard from the State Road 9B interchange to the entrance of Parcel E-7a and related utilities including water, sewer, reuse and electric lines. Pursuant to the Parcel E-7a Development Agreement, Providence will pay at closing a construction payment to the Master Developer. The Master Developer will use good faith efforts to (i) substantially complete the required infrastructure under the Parcel E-7a Development Agreement by no later than December 31, 2019, and (ii) install all related utilities as well as obtain final acceptance of the roadway improvements by the City no later than March 31, 2020. Such infrastructure is expected to be complete by April 2019.

Providence is purchasing the land constituting Parcel E-7a for purposes of development and sale of homes to third party retail buyers and not for resale to other developers or homebuilders. However, if Providence enters into a purchase and sale agreement for all or a portion of the lands constituting Parcel E-7a, the Landowner has the right of first refusal at an agreed upon repurchase price.

Participating Homebuilders/Developers

Brief descriptions of the participating developers/homebuilders are provided below. The information appearing below has been obtained from the homebuilder/developer websites and their publicly available sources and the District makes no representation as to the accuracy or completeness of such information.

David Weekley Homes was founded in 1976 and is now the largest privately-held home builder in America. The company has sold more than 90,000 homes and expanded to 22 cities across the nation. As a result of the company's progressive management methodologies where people are the primary focus of the organization, the company has been named to FORTUNE "100 Best Companies to Work For®" list 12 times. David Weekley Homes was the first builder in the United States to be awarded the Triple Crown of American Home Building, an honor which includes "America's Best Builder," "National Housing Quality Award" and "National Builder of the Year."

ICI Homes, headquartered in Daytona Beach, is the leading new home builder in Florida dedicated to excellence in quality and service. ICI Homes offers a wide variety of new home product offerings in communities across the State of Florida, continuously gaining recognition for its home designs. In 2018, ICI was the recipient of numerous honors at the Laurel Awards, an annual competition recognizing architectural and interior design, marketing and sales excellence. Ranked in the Top Builders in the nation for many years, ICI Homes has been at the forefront of the new home building industry as the standard bearer of excellence. Always on

the cutting edge of Florida new home designs and technology, ICI Homes takes pride in offering a wide variety of architectural styles and floorplans.

Providence Homes is a privately-held home builder founded by CEO Bell Cellar as a luxury home builder dedicated to beautifully designed, 100% Energy Star certified homes at an affordable price. On average, their homes are 33% more energy efficient than typical new code-built homes and over 48% more efficient than a home built to code five years ago. In 2015, 2016, 2017 and 2018, Providence Homes received the ENERGY STAR® Partner of the Year Award honoring their leadership in building comfortable, durable and healthy high-performance homes.

Pulte is a Michigan limited liability company and, as of December 31, 2016, is the successor by conversion of Pulte Home Corporation and is wholly owned by PulteGroup, Inc., a Michigan corporation. Pulte, based in Atlanta, Georgia, is one of America's largest homebuilding companies with operations in approximately 50 markets throughout the country. As a publicly-traded company on the New York Stock Exchange, PulteGroup, Inc. is subject to the informational requirements of the Securities and Exchange Commission Act of 1934, as amended (the "SEC Act"), and in accordance therewith files reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). The registration statement and these other SEC filings are available at the SEC's website at <https://www.sec.gov> and at the SEC's Public Reference Room at the SEC's Headquarters, located at 100 F Street, NE, Washington, D.C. 20549. All documents subsequently filed by Pulte pursuant to the requirements of the Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

Toll Brothers, a Fortune 500 company, is the nation's leading builder of luxury homes. The company began business 50 years ago in 1967 and became a public company in 1986. The company serves move-up, empty-nester, active-adult, and second-home buyers and operates in 22 states. Toll Brothers builds an array of luxury residential single family detached and attached home, master planned resort-style golf, and urban low-, mid-, and high-rise communities, principally on land it develops and improves. The company operates its own architectural, engineering, mortgage, title, land development and land sale, golf course development and management, home security, and landscape subsidiaries. Toll Brothers is a publicly-traded company the common stock of which is listed on the New York Stock Exchange under the symbol "TOL." Toll Brothers is subject to the informational requirements of the Securities and Exchange Commission Act of 1934, as amended, and in accordance therewith files reports, proxy statements, and other information with the SEC. The file number for Toll Brothers is No. 001-09186. The registration statement and other SEC filings are available at the SEC's website at <https://www.sec.gov> and at the SEC's Public Reference Room at the SEC's Headquarters, located at 100 F Street, NE, Washington, D.C. 20549. All documents subsequently filed by Toll Brothers pursuant to the requirements of the SEC Act after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

Development Status

[TO COME]

Assessment Area

The Master Developer is required to fund and construct the E-Town Parkway and currently intends to continuously construct such roadway improvements until fully completed rather than in phases with completion expected by ____]. The District Engineer has prepared the Engineer's Report attached hereto as Exhibit A describing the Master CIP which is estimated to cost approximately \$17.7 million. The Master CIP includes improvements associated with E-Town Parkway such as utilities, landscape and irrigation, hardscape, signage, electric, and lighting as well as recreational facilities associated with the District. The Master CIP does not include the actual costs of the construction of E-Town Parkway which are being funded directly by the Master Developer as more fully described under the heading "THE DEVELOPMENT - Development Financing". Proceeds of the Series 2019 Bonds will be utilized to construct and/or acquire a portion of the Master CIP in the estimated amount of \$10.0 million. As previously stated herein, the District intends to issue one additional Series of Bonds to fund additional portions of the Master CIP in the estimated amount of \$6.1 million.

Initially, the Series 2019 Special Assessments securing the Series 2019 Bonds will be levied on an equal per acre basis on the approximately ____ acres that constitute the lands within the District. The Series 2019 Bonds have been sized to correspond with the amount of special assessments allocable to the 2019 Bond Parcels consisting of 402 acres planned for 1,115 residential units (the "Series 2019 Assessment Area") per the allocation set forth in the Methodology Report which prescribe the assignment of special assessments from a per acre amount to a per unit amount upon the sale of property with specific entitlements transferred therewith or platting. As described in further detail herein under the headings "THE DEVELOPMENT - Land Sales/Contract Activity," a portion of the lands within the District have been sold (previously defined herein as the "Sold Parcels") and as such the District has allocated a portion of the Series 2019 Special Assessments to these parcels. Approximately \$6.5 million or 60% of the Series 2019 Special Assessments have been allocated to the Sold Parcels consisting of ____ acres planned for 661 residential units. Based on the current development plan, upon consummation of the sale of the Contracted Parcels planned for 454 residential units to various contracted developers/homebuilders, the Series 2019 Special Assessments will be assigned in their entirety.

Upon issuance of the Series 2019 Bonds, \$4.1 million of net proceeds will be held in the applicable Acquisition and Construction Subaccount in the Series 2019 Acquisition and Construction Account pending the sale of each of the Contracted Parcels. To the extent that one or more Contracted Parcels do not close by the breakage dates provided for in the First Supplemental Indenture, the monies held in such applicable Subaccount (together with proceeds from the Series 2019 Debt Service Reserve Account) in an amount sufficient to extinguish the lien of the Series 2019 Special Assessments allocable to the such Contracted Parcel plus interest to the applicable redemption date, will be transferred to the Series 2019 Prepayment Account and applied to the extraordinary mandatory redemption of the Series 2019 Bonds, ultimately contracting the Series 2019 Assessment Area to include only those parcels that have been sold by the Landowner. Breakage dates have been established in accordance with the scheduled closing dates. As described in further detail herein under the heading "THE DEVELOPMENT - Land Sales/Contract Activity," Parcel E-5, planned for 169 residential units, and Parcel E-7, planned for 124 residential units, are currently under contract with ICI and Providence Homes, respectively, both with an anticipated closing date of February 28, 2019 and breakage dates of August 1, 2019. The final takedown of the remaining lands within Parcel E-3a, planned for 161 units, is scheduled to close with Pulte on September 30, 2019 with a breakage date set for February 1, 2020. Upon each Contracted Parcel closing, the moneys in the

applicable Acquisition and Construction Subaccount related to such Contracted Parcel will be released to the Master Developer for the construction and/or acquisition of the applicable portion of the Series 2019 Project. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS - Series 2019 Acquisition and Construction Account" herein.

Utilities

JEA will provide water services, wastewater treatment services and reclaimed water services to the Development conditioned on the Master Developer meeting its obligations under the JEA Utility Service Agreement by and between the Master Developer and JEA dated July 15, 2015. The Master Developer will permit and construct certain water mains and reuse water mains to serve the Development. Certain of these improvements include the construction of water and reuse mains running along E-Town Parkway. JEA will also provide sewer services conditioned on the Master Developer constructing an in-line booster pump station and certain sewer mains including sewer mains located within the E-Town Parkway right of way and extending to the intersection of U.S. Highway 1 and Judith Road.

The Master Developer has constructed such improvements with construction costs totaling \$[] million of which \$[] million is reimbursable. Electric (including for street lighting) is also provided by JEA.

Schools

Based upon current school zoning, children residing in the Development would generally attend Twin Lakes Elementary School, Twin Lakes Academy Middle School, and Atlantic Coast High School all 'A' or 'B' rated schools for 2018 according to the Florida Department of Education.

Marketing

The Master Developer will undertake a comprehensive marketing effort for the Development in its entirety that will primarily be funded with a marketing fee from each developer/homebuilder, inclusive of those that will purchase lands within the Development, which is required to be paid upon the closing of the sale of a new home in the Development. The marketing fee is calculated as 1% of the gross sales price of each home sold by the developer/homebuilder. The Master Developer will utilize a marketing campaign that includes third party account management and services, creative materials, branded content, social and interactive media, direct marketing support staff, and a website and public relations. Further, it is anticipated that each of the tract developers in the Development will employ their own marketing efforts to market their respective neighborhoods.

The e-Town community will offer a welcome center acting as a first-stop for future residents. The welcome center will be staffed with representatives that will share information on e-Town's neighborhoods, amenities, and the overall lifestyle. Construction on the e-Town welcome center is scheduled to commence in the first quarter 2019 and is expected to open in fall 2019.

Product Offerings/Model Homes

Below are the current product offering in the neighborhoods for the Sold Parcels.

The Weekley Homes neighborhood, Parcel E-2, is anticipated to be marketed as a residential community known as "Marconi." Situated on 50' to 60' homesites, homes will feature a range of modern coastal, craftsman and farmhouse elevations. Horizontal development within the neighborhood has commenced and the neighborhood is planned to open in summer 2019 with home prices starting in the mid-\$300s. [] model homes will be constructed by summer 2019.

The Pulte Homes neighborhood, Parcel E-3a, is anticipated to be marketed as an age-restricted residential community known as ["_____."] Homesites will be situated on 40' to 65' lots with homes ranging in size from [] to over [] square feet. The gated neighborhood will feature exclusive recreational amenities including [_____].

The Toll Brothers neighborhood, Parcel E-4 and Parcel E-6, is anticipated to be marketed as a residential community known as "Edison." The neighborhood will offer one- and two-story home designs ranging from 2,500 to over 4,000 square feet with prices starting in the high \$300's. Horizontal development within the neighborhood has commenced and the neighborhood is planned to open summer 2019. Toll Brothers will construct [] model homes that will be complete by summer 2019.

Recreational Amenities

The District is planned to include a clubhouse featuring a state-of-the-art fitness center, a large resort-style pool, ball fields, playgrounds, fishing piers, walking paths and dog parks. Construction on the recreational facilities is estimated to commence in summer 2019 with completion expected by summer 2020. The recreational facilities are included as part of the Master CIP at an estimated cost of \$[] million.

In addition to the District's recreational facilities, it is anticipated that Pulte will construct recreational facilities for its age-restricted neighborhood. Such facilities will be reserved for the use of the residents within such neighborhood.

Fees and Assessments

Each homeowner residing in the Series 2019 Assessment Area will pay annual taxes, assessments and fees on an ongoing basis as a result of their ownership of property within the District, including ad valorem property taxes, Series 2019 Special Assessments, HOA fees, and administrative, operation and maintenance assessments levied by the District as described in more detail below.

Property Taxes

The 2018 millage rate for the area of the County where the Development is located is approximately 18.0231. Accordingly, by way of example, the annual property taxes for a \$350,000 taxable value home would be approximately \$6,308.

Homeowner's Association Fee

All homeowners will be subject to annual homeowner's association ("HOA") fees for architectural review, deed restriction enforcement, as well as operation and maintenance of the HOA-owned facilities located within the respective neighborhoods planned in the Development. The HOA fees will vary annually based on the adopted budget by the HOA for a particular year.

Each neighborhood within the Development will carry its own HOA fee specific to its community.

District Special Assessments

All homeowners residing in the Series 2019 Assessment Area will be subject to the Series 2019 Special Assessments levied in connection with the Series 2019 Bonds. In addition to the Series 2019 Special Assessments, all homeowners will be subject to annual operations and maintenance assessments ("O&M Assessments") levied by the District which are derived from the District's annual budget and are subject to change each year. The table below illustrates the estimated Series 2019 Special Assessments and estimated FY19 O&M Assessments that will be levied by the District for each respective product type.

<u>Unit Type</u>	<u>Est. Annual Series 2019 Special Assessment Per Unit (Gross)</u>	<u>Est. Annual FY19 O&M Assessment Per Unit (Gross)</u>
Single Family	\$838	
Age-Restricted Single Family	405	

As previously mentioned, one or more of the land purchasers may request that the District issue additional Bonds to fund the District's Neighborhood CIP located within each respective tract in the Series 2019 Assessment Area. Such Bonds will be secured by special assessments levied on such tract and therefore will overlap with the Series 2019 Special Assessments. Currently, one parcel purchaser, Pulte Homes, has expressed its interest to the District for it to issue Bonds to fund a portion of the District's Neighborhood CIP for Parcel E-3a. The information appearing in the chart below provides the estimated additional annual special assessment debt service levels for Parcel E-3a when taking into account the Series 2019 Special Assessments and future special assessments that may be levied in conjunction with the additional Series of Bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE 2019 BONDS - No Parity Bonds" herein.

<u>Product-Type</u>	<u>Est. Annual Debt Service Assessment Levels</u>
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Competition

The Master Developer anticipates the primary competition for the District will come from certain active communities along the County Road 210 corridor. The information appearing below has been obtained from publicly available sources and the District makes no representation as to the accuracy or completeness of such information. Further information regarding the bonds issued by each of these CDDs may be obtained at <http://www.emma.msrb.com>.

Nocatee (Tolomato CDD) is an approximately 14,000-acre mixed-use master planned community located approximately 20 miles south of downtown Jacksonville and 15 miles northwest of historic St. Augustine that is being developed by affiliates of the Master Developer. Nocatee currently has 31 distinct neighborhoods and provides residents with extensive resort-style amenities including the Splash Water Park featuring adult and children's pools, poolside

cabanas, a 377-foot zip line, a lagoon pool, a children's spray ground and the Lazy Tide River for tube floating.

Shearwater (Trout Creek CDD) is an approximately 1,520-acre master planned development situated east of Greenbriar Road, north of County Road 16A and south of County Road 210. Shearwater is being developed by an affiliate of Freehold Communities and is currently planned to include 2,498 residential units and may include up to approximately 27,000 square feet of office space and approximately 225,000 square feet of commercial. Single family homes range in size from 1,600 to 5,000 square feet and base prices range from \$240,000 to \$750,000. Current builders include Lennar Homes, LLC, Weekley Homes, LLC, Mastercraft Builder Group, LLC, Richmond American Homes of Florida, LP, D.S Ware Homes, LLC, Drees Homes of Florida, LLC and Dream Finders Homes, LLC. Amenities are expected to include a 6,400 square foot Kayak Club, 7,800 square foot Fitness Lodge, Aquatics Complex, scenic overlook and kayak launch, and more than 20,000 linear feet of bikeways and recreational trails.

Meadow View at Twin Creeks (Beacon Lakes CDD) is a residential master planned community consisting of approximately 630 acres located within the Twin Creeks Development of Regional Impact. The project is entitled for a maximum of 1,400 single family residential units. Heartwood 23, LLC, is the developer of Meadow View at Twin Creeks. Meadow View builders include Mattamy Homes and Dream Finders Homes. Home sizes range from 2,000 to 3,500 square feet, with home prices averaging \$300,000 to \$425,000.

Beachwalk (Twin Creeks North CDD) is being developed as a mixed-use, master planned community consisting of approximately 2,150 acres situated on the north side of County Road 210 and west of US Highway 1. Twin Creeks North, also known as Beachwalk, is located within the Twin Creeks Development of Regional Impact. Twin Creeks Development Associates, LLC, is the developer of the Twin Creeks North development. Current builders include Lennar Homes, AmeriCrest Luxury Homes and Vintage Estate Homes. Home sizes range from 2,000 to 4,000 square feet with home prices ranging from \$300,000 to more than \$1 million.

Tamaya (Beach CDD) is an approximately 781 gross acre mixed-use gated community planned for 2,400 single and multi-family residential units and 300,000 square feet of commercial/retail space. Tamaya is located at the northeastern intersection of Beach Boulevard and Kernan Boulevard. Tamaya offers homes ranging from 1,800 to 4,000 square feet along with Tuscan, Mediterranean and Spanish architectural styles. Home prices start in the mid \$300s. Amenities include a 10,000 square foot amenity center that includes two pools and a cabana. The outdoor recreation areas include tennis courts and an event lawn.

This section does not purport to summarize all of the existing or planned communities in the area of the Development, but rather to provide a description of those that the Master Developer feels may pose primary competition to the Development.

BONDOWNERS' RISKS

There are certain risks inherent in an investment in bonds secured by special assessments issued by a public authority or governmental body in the State. Certain of these risks are described in the section above entitled "ENFORCEMENT OF ASSESSMENT COLLECTIONS"; however, certain additional risks are associated with the Series 2019 Bonds offered hereby. This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2019 Bonds and prospective purchasers are advised to

read this Limited Offering Memorandum including all appendices hereto in its entirety to identify investment considerations relating to the Series 2019 Bonds.

(a) Until further development takes place on the benefited land within the District and assessable properties are sold to end users, payment of the Series 2019 Special Assessments is substantially dependent upon their timely payment by the Landowner or any other landowner. See "THE LANDOWNER," "THE MASTER DEVELOPER" and "THE DEVELOPMENT" herein. In the event of the institution of bankruptcy or similar proceedings with respect to the Landowner or any subsequent owner of property within the District, delays and impairment will most likely occur in the payment of debt service on the Series 2019 Bonds as such bankruptcy could negatively impact the ability of: (i) the Landowner and any other land owner being able to pay the Series 2019 Special Assessments; (ii) the District to foreclose the lien on the Series 2019 Special Assessments; and (iii) the County to sell tax certificates in relation to such property (in the case of (iii) to the extent that any portion of the Series 2019 Special Assessments are being collected by the Uniform Method), or the ability to sell the property at a judicial foreclosure sale. In addition, the remedies available to the Beneficial Owners of the Series 2019 Bonds, the Trustee and the District upon an Event of Default under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including during a bankruptcy of the Landowner, the remedies specified by federal, state and local law and in the Indenture and the Series 2019 Bonds, including, without limitation, enforcement of the obligation to pay the Series 2019 Special Assessments and the ability of the District to foreclose the lien of the Series 2019 Special Assessments, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2019 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available respecting the Series 2019 Bonds could have a material adverse impact on the interest of the Beneficial Owners thereof. The failure of a landowner to pay the required Series 2019 Special Assessments on its property will not result in an increase in the amount of Series 2019 Special Assessments other landowners are or would be required to pay.

(b) The principal security for the payment of the principal of and interest on the Series 2019 Bonds is the timely collection of the Series 2019 Special Assessments. Series 2019 Special Assessments do not constitute a personal indebtedness of the owners of the land subject thereto, but are secured by a lien on such land. There is no assurance that the owners will be able to pay the Series 2019 Special Assessments or that they will pay such Series 2019 Special Assessments even though financially able to do so. The assessment of the benefits to be received by the land within the District as a result of implementation of the Series 2019 Project is not indicative of the realizable or market value of the land, which value may actually be higher or lower than the assessment of benefits. To the extent that the realizable or market value of the land benefited by the Series 2019 Project is lower than the assessment of benefits, the ability of the District to realize sufficient value from a foreclosure action to pay debt service on the Series 2019 Bonds may be adversely affected. Such adverse effect could render the District unable to collect delinquent Series 2019 Special Assessments, if any, and provided such delinquencies are significant, could negatively impact the ability of the District to make the full or punctual payment of debt service on the Series 2019 Bonds.

(c) The District is required to comply with statutory procedures in levying the Series 2019 Special Assessments. Failure of the District to follow these procedures could result in the

Series 2019 Special Assessments not being levied or subject the Series 2019 Special Assessments to potential future challenges to such levy. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS" herein.

(d) The development of the Development may be affected by changes in general economic conditions, fluctuations in the real estate market, catastrophic weather, increases in lending rates and other factors beyond the control of the Master Developer. Although the Master Developer expects to develop the property as described herein, there can be no assurance that such development will occur or be realized in the manner or schedule currently anticipated. In addition, the development of the Development is subject to comprehensive federal, state, and local laws, rules and regulations and future changes to such laws, rules and regulations. Approval is required from various public agencies in connection with, among other things, the design, nature and extent of required improvements, both public and private, and construction of the Development, including the Series 2019 Project, must be in accordance with applicable zoning, land use and environmental regulations for the Development. Although no delays are anticipated, failure to obtain any such approvals in a timely manner could delay or adversely affect the development of the Development, which may negatively impact the Master Developer's desire or ability to develop the Development as contemplated. See "THE DEVELOPMENT" herein and "APPENDIX A - Engineer's Report" attached hereto for a discussion of permits and approvals.

(e) The District has not granted, and may not grant under State law, a mortgage or security interest in the Series 2019 Project. Furthermore, the District has not pledged the revenues, if any, from the operation of the Series 2019 Project as security for, or a source of payment of, the Series 2019 Bonds. Neither has the District covenanted to establish rates, fees and charges for the Series 2019 Project at any specified levels. The Series 2019 Bonds are payable solely from, and secured solely by, the Series 2019 Special Assessments.

(f) The willingness and/or ability of an owner of land within the Development to pay the Series 2019 Special Assessments could be affected by the existence of other taxes and assessments imposed upon the property by the District, the County or other governmental entities with jurisdiction over the District. Public entities whose boundaries overlap those of the District, such as the City, the County, the Duval County School District and other special districts, could, without the consent of the owners of the land within the Development, impose additional taxes or assessments on the property within the Development. County, municipal, school, special district taxes and assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, including the Series 2019 Special Assessments, are payable at one time. As referenced above, if a taxpayer does not make complete payment, he or she cannot designate specific line items on the tax bill as deemed paid in full. In such case, the Tax Collector does not accept such partial payment. Therefore, any failure to pay any one line item, whether or not it is the Series 2019 Special Assessments, would cause the Series 2019 Special Assessments not to be collected to that extent, which could have a significant adverse impact on the District's ability to make full or punctual payment of debt service on the Series 2019 Bonds. As referenced herein, the District may also impose additional assessments which could encumber the property burdened by the Series 2019 Special Assessments.

(g) The Series 2019 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2019 Bonds in the event an Owner thereof determines to solicit purchasers of the Series 2019 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2019 Bonds may be sold. Such price may be lower than that paid by the current Owner of the Series

2019 Bonds, depending on the progress of the Development, existing market conditions and other factors.

(h) In addition to legal delays that could result from bankruptcy, the ability of the District to enforce collection of delinquent Series 2019 Special Assessments will be dependent upon various factors, including the delay inherent in any judicial proceeding to enforce the lien of the Series 2019 Special Assessments and the value of the land which is the subject of such proceedings and which may be subject to sale. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein. If the District has difficulty in collecting the Series 2019 Special Assessments, the Series 2019 Debt Service Reserve Account could be rapidly depleted and the ability of the District to pay debt service could be materially adversely affected.

(i) Some of the risk factors described herein, which, if materialized, would result in a delay in the collection of the Series 2019 Special Assessments, may not affect the timely payment of debt service on the Series 2019 Bonds because of the Series 2019 Debt Service Reserve Account established by the District for the Series 2019 Bonds. The ability of the Series 2019 Debt Service Reserve Account to fund deficiencies caused by delinquent Series 2019 Special Assessments is dependent upon the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 2019 Debt Service Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys available in the Series 2019 Debt Service Reserve Account to make up deficiencies.

(j) Owners should note that although the Indenture contains a Series 2019 Debt Service Reserve Requirement for the Series 2019 Debt Service Reserve Account and a corresponding obligation on the part of the District to replenish the Series 2019 Debt Service Reserve Account to the Series 2019 Debt Service Reserve Requirement, if in fact that account is accessed for any purpose, the District does not have a designated revenue source for replenishing such account. Moreover, the District will not be permitted to re-assess real property subject to the Series 2019 Special Assessments in order to provide for the replenishment of the Series 2019 Debt Service Reserve Account.

(k) The Internal Revenue Service (the "IRS") routinely examines bonds issued by state and local governments, including bonds issued by community development districts. The IRS recently concluded its lengthy examination of certain issues of bonds (for purposes of this paragraph, the "Audited Bonds") issued by Village Center Community Development District ("Village Center CDD"). During the course of the audit of the Audited Bonds, Village Center CDD received a ruling dated May 30, 2013, in the form of a non-precedential technical advice memorandum ("TAM") concluding that Village Center CDD is not a political subdivision for purposes of Section 103(a) of the Code because Village Center CDD was organized and operated to perpetuate private control and avoid indefinitely responsibility to an electorate, either directly or through another elected state or local government body. Such a conclusion could lead to the further conclusion that the interest on the Audited Bonds was not excludable from gross income of the owners of such bonds for federal income tax purposes. Village Center CDD received a second TAM dated June 17, 2015, which granted relief to Village Center CDD from retroactive application of the IRS's conclusion regarding its failure to qualify as a political subdivision. Prior to the conclusion of the audits, the Audited Bonds were all refunded with taxable bonds. The audit of the Audited Bonds that were issued for utility improvements was closed without change to the tax-exempt status of those Audited Bonds on April 25, 2016, and the audit of the remainder of the Audited Bonds (which funded recreational amenity acquisitions from entities related to the principal landowner in Village Center CDD) was closed

on July 14, 2016, without the IRS making a final determination that the interest on the Audited Bonds in question was required to be included in gross income. However, the IRS letter to Village Center CDD with respect to this second set of Audited Bonds noted that the IRS found that Village Center CDD was not a "proper issuer of tax-exempt bonds" and that those Audited Bonds were private-activity bonds that did not fall in any of the categories that qualify for tax-exemption. Although the TAMs and the letters to Village Center CDD from the IRS referred to above are addressed to, and binding only on, the IRS and Village Center CDD in connection with the Audited Bonds, they reflect the audit position of the IRS, and there can be no assurance that the IRS would not commence additional audits of bonds issued by other community development districts raising issues similar to the issues raised in the case of the Audited Bonds based on the analysis set forth in the first TAM or on the related concerns addressed in the July 14, 2016 letter to Village Center CDD.

On February 23, 2016, the IRS issued a notice of proposed rulemaking containing proposed regulations (the "Proposed Regulations") that provided guidance as to the definition of a political subdivision for purposes of the rules for tax-exempt bonds. If adopted, the Proposed Regulations would have affected certain State and local governments that issue tax-exempt bonds, including special districts such as the District.

However, on July 24, 2017, in response to Executive Order 13789 issued by President Trump (the "Executive Order"), the Secretary of the Treasury (the "Secretary") identified the Proposed Regulations among a list of eight regulations that (i) impose an undue financial burden on U.S. taxpayers; (ii) add undue complexity to the Federal tax laws; or (iii) exceed the statutory authority of the IRS. On October 2, 2017, in his Second Report to the President on Identifying and Reducing Tax Regulatory Burdens, the Secretary reported that Treasury and the IRS believe that the Proposed Regulations should be withdrawn in their entirety, and the Treasury Department and the IRS withdrew the Proposed Regulations on October 20, 2017. The Secretary further provided that Treasury and the IRS will continue to study the legal issues relating to political subdivisions and may propose more targeted guidance in the future.

Because the Proposed Regulations have been withdrawn, it is not possible to determine the extent to which all or a portion of the discussion herein regarding the Village Center CDD and the TAMs may continue to be applicable in the absence of further guidance from the IRS.

It has been reported that the IRS has closed audits of other community development districts in the State with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within five (5) years of the issuance of tax-exempt bonds or their bonds may be determined to be taxable retroactive to the date of issuance. The District, unlike Village Center CDD, was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. [CONFIRM] Currently, all members of the Board of the District were elected by the Master Developer and/or Landowner and none were elected by qualified electors. The Master Developer and Landowner will each certify as to its respective expectations as to the timing of the transition of control of the Board of the District to qualified electors pursuant to the Act, and its expectations as to compliance with the Act by any members of the Board that they elect. Such certifications by the Master Developer and Landowner do not ensure that such certifications shall be determinative of, or may influence the outcome of any audit by the IRS, or any appeal from such audit, that may result in an adverse ruling that the District is not a political subdivision for purposes of Section 103(a) of the Code.

Although it is impossible to predict whether the IRS will select the Series 2019 Bonds for audit, the District has no reason to believe that any such audit will be commenced, or that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable State or federal law.

Owners of the Series 2019 Bonds are advised that, if the IRS does audit the Series 2019 Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the District as the taxpayer, and the Owners of the Series 2019 Bonds may have limited rights to participate in those proceedings. The commencement of such an audit could adversely affect the market value and liquidity of the Series 2019 Bonds until the audit is concluded, regardless of the ultimate outcome. In addition, in the event of an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2019 Bonds, it is unlikely the District will have available revenues to enable it to contest such determination or enter into a voluntary financial settlement with the IRS. Further, an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2019 Bonds would adversely affect the availability of any secondary market for the Series 2019 Bonds. Should interest on the Series 2019 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2019 Bonds be required to pay income taxes on the interest received on such Series 2019 Bonds and related penalties, but because the interest rate on such Series 2019 Bonds will not be adequate to compensate Owners of the Series 2019 Bonds for the income taxes due on such interest, the value of the Series 2019 Bonds may decline.

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2019 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2019 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2019 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2019 Bonds. For example, in connection with federal deficit reduction, job creation and tax law reform efforts, proposals have been made and others are likely to be made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Series 2019 Bonds. There can be no assurance that any such legislation or proposal will be enacted, and if enacted, what form it may take. The introduction or enactment of any such legislative proposals may affect, perhaps significantly, the market price for, or marketability of the Series 2019 Bonds.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATE ON THE SERIES 2019 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2019 BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2019 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2019 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2019 BONDS BECOMES TAXABLE AND/OR THE DISTRICT IS EVER DETERMINED TO NOT BE A POLITICAL SUBDIVISION FOR PURPOSES OF THE CODE AND/OR SECURITIES ACT.

(l) No application for credit enhancement or a rating on the Series 2019 Bonds has been made, nor is there any reason to believe that the District would have been successful in obtaining either for the Series 2019 Bonds had application been made.

(m) Under State law, a landowner may contest the assessed valuation determined for its property which forms the basis of ad valorem taxes such landowner must pay. During this contest period, the sale of a tax certificate under the Uniform Method will be suspended. If the Series 2019 Special Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold with respect to the Series 2019 Special Assessments even though the landowner is not contesting the amount of Series 2019 Special Assessments.

(n) The successful sale of developed lots and homes, once such homes are built within the Development, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Master Developer, the Landowner, builders and other landowners.

(o) The value of the land within the District, the successful completion of the Development and the likelihood of timely payment of principal and interest on the Series 2019 Bonds could be affected by environmental factors with respect to the land in the District. Should any of the land be contaminated by hazardous materials, this could materially and adversely affect the value of the land in the District, which could materially and adversely affect the success of the development of the Development and the likelihood of the timely payment of the Series 2019 Bonds. The District has not performed, nor has the District requested that there be performed on its behalf, any independent assessment of the environmental conditions within the District. It is possible that hazardous environmental conditions could exist within the District and that such conditions could have a material and adverse impact upon the value of the benefited lands within the District and no assurance can be given that unknown hazardous materials, protected animals, etc., do not currently exist or may not develop in the future whether originating within the District or from surrounding property, and what effect such may have on the completion of the Development. See "THE DEVELOPMENT" herein.

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ESTIMATED SOURCES AND USES OF BOND PROCEEDS

Source of Funds

Par Amount of Series 2019 Bonds

Less/Plus Original Issue Discount/Bond Premium

Total Sources

Uses of Funds

Deposit to Series 2019 Acquisition and
Construction Subaccount - Parcel E-3a

Deposit to Series 2019 Acquisition and
Construction Subaccount - Parcel E-5

Deposit to Series 2019 Acquisition and
Construction Subaccount - Parcel E-7a

Deposit to Series 2019 Debt Service Reserve
Account

Costs of Issuance⁽¹⁾

Total Uses

⁽¹⁾ Costs of issuance include, without limitation, underwriter's discount, legal fees and other costs associated with the issuance of the Series 2019 Bonds.

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DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the Series 2019 Bonds:

<u>Period Ending May 1st</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Debt Service</u>
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TAX MATTERS

[TO BE UPDATED]

General

The Code establishes certain requirements which must be met subsequent to the issuance of the Series 2019 Bonds in order that interest on the Series 2019 Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the Series 2019 Bonds to be included in federal gross income retroactive to the date of issuance of the Series 2019 Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the Series 2019 Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The District has covenanted in the Indenture with respect to the Series 2019 Bonds to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the Series 2019 Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the Series 2019 Bonds (including any original issue discount properly allocable to the owner thereof) is excluded from gross income for purposes of federal income taxation. Interest on the Series 2019 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax. However, interest on the Series 2019 Bonds shall be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations for taxable years that begin prior to January 1, 2018. The alternative minimum tax on corporations was repealed for taxable years beginning on and after January 1, 2018.

Except as described above, Bond Counsel will express no opinion regarding other federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of Series 2019 Bonds. Prospective purchasers of Series 2019 Bonds should be aware that the ownership of Series 2019 Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry Series 2019 Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on Series 2019 Bonds; (iii) the inclusion of interest on Series 2019 Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on Series 2019 Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on Series 2019 Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the District, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the Series 2019 Bonds and of the property financed or refinanced thereby), without undertaking to verify the same by independent investigation.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2019 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDOWNERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDOWNERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds such as the Series 2019 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2019 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Series 2019 Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the Series 2019 Bonds and proceeds from the sale of Series 2019 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2019 Bonds. This withholding generally applies if the owner of Series 2019 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2019 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Other Tax Matters Relating to the Series 2019 Bonds

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2019 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2019 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2019 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2019 Bonds.

Prospective purchasers of the Series 2019 Bonds should consult their own tax advisors as to the tax consequences of owning the Series 2019 Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

On February 22, 2016, the Internal Revenue Service ("IRS") issued a notice of proposed rulemaking containing proposed regulations (the "Proposed Regulations") that provide guidance as to the definition of a political subdivision for purposes of the rules for tax-exempt bonds. If adopted, the Proposed Regulations would have affected certain State and local governments that issue tax-exempt bonds, including community development districts such as the District. However, on July 24, 2017, in response to Executive Order 13789 issued by President Trump

(the "Executive Order"), the Secretary of the Treasury (the "Secretary") identified the Proposed Regulations among a list of eight regulations that (i) impose an undue financial burden on U.S. taxpayers; (ii) add undue complexity to the federal tax laws; or (iii) exceed the statutory authority of the IRS. On October 2, 2017, in his Second Report to the President on Identifying and Reducing Tax Regulatory Burdens, the Secretary reported that Treasury and the IRS believe that the Proposed Regulations should be withdrawn in their entirety, and the Treasury Department and the IRS withdrew the Proposed Regulations on October 20, 2017. The Secretary further provided that Treasury and the IRS will continue to study the legal issues relating to political subdivisions and may propose more targeted guidance in the future.

Because the Proposed Regulations have been withdrawn, it is not possible to determine the extent to which all or a portion of the discussion herein regarding the Villages and the Villages TAM (each as defined below) may continue to be applicable in the absence of further guidance from the IRS. Bond Counsel will render its opinion regarding the exclusion from gross income of interest on the Series 2019 Bonds as described below.

On May 30, 2013, the IRS delivered to Village Center CDD, a Florida special district established under Chapter 190, Florida Statutes, a private ruling, called a technical advice memorandum (the "Villages TAM"), in connection with the examination by the IRS of bonds issued by the Village Center CDD (the "Audited Bonds"). The Villages TAM concluded that, despite having certain eminent domain powers, the Village Center CDD is not a political subdivision permitted to issue tax-exempt bonds based on a number of facts including that its governing board is elected by a small group of landowners, and that it "was organized and operated to perpetuate private control and avoid indefinitely responsibility to a public electorate, either directly or through another elected state or local governmental body."

The Villages TAM, as a private, non-precedential, ruling, binds only the IRS and the Village Center CDD, and only in connection with the Audited Bonds. Moreover, the cited legal basis for the Villages TAM is extremely limited, and, therefore, the value of the Villages TAM as guidance is also limited. Nonetheless, the breadth and force of the language used in the Villages TAM may reflect the disfavor of the IRS toward governmental entities with governing boards elected by landowners, and this position may lead the enforcement branch of the IRS to select bonds of other issuers with landowner-controlled boards for examination.

In July 2016, the IRS closed the examination of the Audited Bonds with no change to their tax-exempt status. Although the audit was closed with no adverse impact on the Audited Bonds, the IRS's motivations and rationale for closing the examination are unknown. The Village Center CDD refunded the Audited Bonds with taxable bonds in 2014.

Unlike the board of the Village Center CDD, the Board of Supervisors of the District is elected by the landowners residing in the District. The Act, which contains the uniform statutory charter for all community development districts and by which the District is governed, delegates to the District certain traditional sovereign powers including, but not limited to, eminent domain, ad valorem taxation and regulatory authority over rates, fees and charges for district facilities. It does not appear from the facts and circumstances that the District was organized to avoid indefinitely responsibility to a public electorate. On the basis of the foregoing and other factors, Bond Counsel has concluded that under current law the District is a political subdivision for purposes of Section 103 of the Code, notwithstanding that its Board of Supervisors is temporarily elected by landowners. Bond counsel intends to deliver its unqualified approving opinion in the form attached hereto as "APPENDIX C - Form of Opinion of Bond Counsel."

The release of the Villages TAM may cause an increased risk of examination of the Series 2019 Bonds. Owners of the Series 2019 Bonds are advised that if the IRS does audit the Series 2019 Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the District as the taxpayer, and the owners of the Series 2019 Bonds may have limited rights to participate in such procedure. The Indenture does not provide for any adjustment to the interest rates borne by the Series 2019 Bonds in the event of a change in the tax-exempt status of the Series 2019 Bonds. The commencement of an audit or an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2019 Bonds could adversely impact both liquidity and pricing of the Series 2019 Bonds in the secondary market.

Tax Treatment of Original Issue Discount

Under the Code, the difference between the maturity amount of the Series 2018 Bond maturing on _____ 1, 20__ (the "Discount Bonds"), and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity and, if applicable, interest rate, was sold is "original issue discount." Original issue discount will accrue over the term of the Discount Bonds at a constant interest rate compounded periodically. A purchaser who acquires the Discount Bonds in the initial offering at a price equal to the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he or she holds the Discount Bonds, and will increase his or her adjusted basis in the Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or disposition of the Discount Bonds. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of the Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Bondowners of the Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of the Discount Bonds and with respect to the state and local tax consequences of owning and disposing of the Discount Bonds.

Tax Treatment of Bond Premium

The difference between the principal amount of the Series 2019 Bonds maturing on _____ 1, 20__ (collectively, the "Premium Bonds"), and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Premium Bonds of the same maturity, and, if applicable, interest rate, was sold constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each of the Premium Bonds, which ends on the earlier of the maturity or call date for each of the Premium Bonds which minimizes the yield on such Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds.

Bondowners of the Premium Bonds are advised that they should consult with their own tax advisors with respect to the state and local tax consequences of owning such Premium Bonds.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder (the "Disclosure Act") requires that the District make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975. The District was established in June 2018 and has issued no bonds prior to the issuance of the Series 2019 Bonds.

VALIDATION

The Series 2019 Bonds are a portion of the Bonds that were validated by a Final Judgment of the Circuit Court of the Fourth Judicial Circuit of Florida, in and for Duval County, entered on October 31, 2018. The period during which an appeal can be taken has expired.

LITIGATION

District

There is no pending or, to the knowledge of the District, any threatened litigation against the District of any nature whatsoever which in any way questions or affects the validity of the Series 2019 Bonds, or any proceedings or transactions relating to their issuance, sale, execution, or delivery, or the execution of the Indenture. Neither the creation, organization or existence of the District, nor the title of the present members of the Board has been challenged.

From time to time, the District expects to experience routine litigation and claims incidental to the conduct of its affairs. In the opinion of District Counsel, there are no actions presently pending or threatened, the adverse outcome of which would have a material adverse effect on the availability of the Pledged Revenues or the ability of the District to pay the Series 2019 Bonds from the Pledged Revenues.

Master Developer/Landowner

In connection with the issuance of the Series 2019 Bonds, the Master Developer and the Landowner will each represent to the District that there is no litigation of any nature now pending or, to the knowledge of the Master Developer and/or Landowner, threatened, which could reasonably be expected to have a material and adverse effect upon the ability of the Master Developer to complete the Development as described herein, materially and adversely affect the ability of the Landowner to pay the Series 2019 Special Assessments imposed against the land within the District owned by the Landowner or materially and adversely affect the ability of the Master Developer and/or Landowner to perform its various respective obligations described in this Limited Offering Memorandum.

CONTINUING DISCLOSURE

In order to comply with the continuing disclosure requirements of Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "SEC Rule"), the District, the Landowner and

Governmental Management Services, LLC, as dissemination agent (the "Dissemination Agent") will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement"), the form of which is attached hereto as APPENDIX E. Pursuant to the Disclosure Agreement, the District has covenanted for the benefit of the Owners to provide to the Dissemination Agent certain financial information and operating data relating to the District and the Series 2019 Bonds in each year (the "District Annual Report"), and to provide notices of the occurrence of certain enumerated material events. Such covenant by the District shall only apply so long as the Series 2019 Bonds remain Outstanding under the Indenture.

The District Annual Report will be filed by the Dissemination Agent with the Municipal Security Rulemaking Board's Electronic Municipal Markets Access ("EMMA") repository described in the form of the Disclosure Agreement attached hereto as APPENDIX E. The notices of material events will also be filed by the Dissemination Agent with EMMA. The specific nature of the information to be contained in the District Annual Report and the notices of material events are described in APPENDIX E. The Disclosure Agreement will be executed at the time of issuance of the Series 2019 Bonds. The foregoing covenants have been made in order to assist the Underwriter in complying with the SEC Rule.

With respect to the Series 2019 Bonds, no parties other than the District and the Landowner are obligated to provide, nor are expected to provide, any continuing disclosure information with respect to the SEC Rule.

UNDERWRITING

The Underwriter will agree, pursuant to a contract to be entered into with the District, subject to certain conditions, to purchase the Series 2019 Bonds from the District at a purchase price of \$_____ (representing the par amount of the Series 2019 Bonds, less an Underwriter's discount of \$_____ and plus/less an original issue discount/premium of \$_____). See "ESTIMATED SOURCES AND USES OF BOND PROCEEDS" herein. The Underwriter's obligations are subject to certain conditions precedent and the Underwriter will be obligated to purchase all the Series 2019 Bonds if any are purchased.

The Underwriter intends to offer the Series 2019 Bonds at the offering prices set forth on the inside cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Underwriter may offer and sell the Series 2019 Bonds to certain dealers (including dealers depositing the Series 2019 Bonds into investment trusts) at prices lower than the initial offering prices and such initial offering prices may be changed from time to time by the Underwriter.

LEGAL MATTERS

The Series 2019 Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to prior sale, withdrawal or modification of the offer without notice and the receipt of the opinion of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, as to the validity of the Series 2019 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel, Hopping Green & Sams P.A., Tallahassee, Florida, for the Master Developer and Landowner by its counsel, Gunster Yoakley & Stewart, P.A., Jacksonville, Florida, for the Trustee by its in-house counsel, and for the Underwriter by its counsel, Nabors, Giblin & Nickerson, P.A., Tampa, Florida.

AGREEMENT BY THE STATE

Under the Act, the State pledges to the holders of any bonds issued thereunder, including the Series 2019 Bonds, that it will not limit or alter the rights of the issuer of such bonds to own, acquire, construct, reconstruct, improve, maintain, operate or furnish the projects subject to the Act or to levy and collect taxes, assessments, rentals, rates, fees, and other charges provided for in the Act and to fulfill the terms of any agreement made with the holders of such bonds and that it will not in any way impair the rights or remedies of such holders.

FINANCIAL INFORMATION

To date, the District has not met the requirements necessary under Florida law to prepare audited financial statements. However, the District has covenanted in the form of Continuing Disclosure Agreement set forth in APPENDIX E attached hereto to provide its annual audited financial statements to certain information repositories as described in APPENDIX E, commencing with the audit for the District fiscal year ended September 30, 2019. The Series 2019 Bonds are not general obligation bonds of the District and are payable solely from the Pledged Revenues. See "CONTINUING DISCLOSURE" herein.

EXPERTS AND CONSULTANTS

The references herein to England, Thims & Miller, Inc., as District Engineer have been approved by said firm. The Engineer's Report prepared by such firm has been included as APPENDIX A attached hereto in reliance upon such firm as an expert in engineering. References to and excerpts herein from such Engineer's Report do not purport to be adequate summaries of the CIP or the Series 2019 Project or complete in all respects. Such Engineer's Report is an integral part of this Limited Offering Memorandum and should be read in its entirety for complete information with respect to the subjects discussed therein.

The references herein to Governmental Management Services, LLC, as Assessment Consultant have been approved by said firm. The Methodology Report prepared by such firm has been included as APPENDIX B attached hereto in reliance upon such firm as an expert in developing assessment methodologies. References to and excerpts herein from such Methodology Report do not purport to be adequate summaries of such Methodology Report or complete in all respects. Such Methodology Report is an integral part of this Limited Offering Memorandum and should be read in its entirety for complete information with respect to the subjects discussed therein.

CONTINGENT AND OTHER FEES

The District has retained Bond Counsel, District Counsel, the Assessment Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee, with respect to the authorization, sale, execution and delivery of the Series 2019 Bonds. Except for the payment of fees to District Counsel and the Assessment Consultant, the payment of the fees of the other professionals retained by the District is each contingent upon the issuance of the Series 2019 Bonds.

NO RATING OR CREDIT ENHANCEMENT

No application for credit enhancement or a rating on the Series 2019 Bonds has been made, nor is there any reason to believe that the District would have been successful in obtaining either for the Series 2019 Bonds had application been made.

MISCELLANEOUS

Any statements made in this Limited Offering Memorandum involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Limited Offering Memorandum nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Series 2019 Bonds.

The information contained in this Limited Offering Memorandum has been compiled from official and other sources deemed to be reliable, and is believed to be correct as of the date of the Limited Offering Memorandum, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The Underwriter listed on the cover page hereof has reviewed the information in this Limited Offering Memorandum in accordance with and as part of its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion stated herein are subject to change, and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder shall create, under any circumstances, any implication that there has been no change in the matters described herein since the date hereof.

The information and expression of opinion herein are subject to change without notice and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder is to create, under any circumstances, any implication that there has been no change in the affairs of the District or the Development from the date hereof. However, certain parties to the transaction will, on the closing date of the Series 2019 Bonds, deliver certificates to the effect that nothing has come to their attention that would lead them to believe that applicable portions of the Limited Offering Memorandum contain an untrue statement of a material fact or omit to state a material fact that should be included herein for the purpose for which the Limited Offering Memorandum is intended to be used, or that is necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading and to the effect that from the date of the Limited Offering Memorandum to the date of closing of the Series 2019 Bonds that there has been no material adverse change in the information provided.

This Limited Offering Memorandum is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, as a whole or in part, for any other purpose. The appendices hereof are integral parts of this Limited Offering Memorandum and must be read in their entirety together with all foregoing statements.

**CYPRESS BLUFF COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Name: Richard T. Ray
Its: Chairman

APPENDIX A

Engineer's Report

APPENDIX B

Methodology Report

APPENDIX C

Forms of Master Indenture and First Supplemental Indenture

APPENDIX D

Form of Opinion of Bond Counsel

APPENDIX E

Form of Continuing Disclosure Agreement

3.

**CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT
(City of Jacksonville, Florida)**

[\$[Bond Amount] Special Assessment Bonds, Series 2019

January [___], 2019

BOND PURCHASE AGREEMENT

Cypress Bluff Community Development District
City of Jacksonville, Florida

Ladies and Gentlemen:

MBS Capital Markets, LLC (the "Underwriter") offers to enter into this Bond Purchase Agreement with the Cypress Bluff Community Development District (the "District"). This offer is made subject to written acceptance hereof by the District at or before 11:59 p.m., New York time, on the date hereof. If not so accepted, this offer will be subject to withdrawal by the Underwriter upon written notice delivered to the District at any time prior to the acceptance hereof by the District.

1. Purchase and Sale. Upon the terms and conditions and in reliance on the representations, warranties, covenants and agreements set forth herein, the Underwriter hereby agrees to purchase from the District, and the District hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of its Cypress Bluff Community Development District Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds"). The Series 2019 Bonds shall be dated as of the date of their delivery and shall be payable on the dates and principal amounts, bear such rates of interest and be subject to redemption, all as set forth in Exhibit A attached hereto. Interest on the Series 2019 Bonds is payable semi-annually on May 1 and November 1 each year, commencing May 1, 2019. The purchase price for the Series 2019 Bonds shall be \$[_____] (representing the aggregate par amount of the Series 2019 Bonds of \$[_____] less original issue discount of \$[_____] and less an Underwriter's discount of \$[_____]).

The disclosure statement required by Section 218.385, Florida Statutes, is attached hereto as Exhibit B.

The Series 2019 Bonds are authorized and issued pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, any successor statute thereto, the Florida Constitution, and other applicable provisions of law (collectively, the "Act"), and Ordinance 2018-335-E, enacted by the City Council of the City of Jacksonville, Florida on June 26, 2018, effective June 29, 2018. The District was established for the purposes, among other things, of financing and managing the design, acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction and related financing. The Series 2019 Bonds are being issued pursuant to the Act and a Master Trust Indenture, dated as of January 1, 2019 (the "Master Indenture"), from the District to The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as supplemented by a First

Supplemental Trust Indenture, dated as of January 1, 2019, from the District to the Trustee (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), and Resolution Nos. 2018-27 and 2019-03, adopted by the Board of Supervisors of the District (the "Board") on August 1, 2018 and [January 9,] 2019, respectively (collectively, the "Bond Resolution"), authorizing the issuance of the Series 2019 Bonds. The Series 2019 Special Assessments comprising the Pledged Revenues have been levied by the District on the lands within the District specially benefited by the Series 2019 Project pursuant to Resolution Nos. 2018-25, 2018-26 and 2019-[] adopted by the Board on August 20, 2018 and [], 2019 (collectively, the "Assessment Resolutions"). Capitalized terms used but not otherwise defined herein have the meaning as set forth in the Indenture.

Consistent with the requirements of the Indenture and the Act, the Series 2019 Bonds are being issued for the primary purpose of (i) financing the Cost of the acquisition, construction and equipping of assessable improvements (the "Series 2019 Project"), (ii) paying certain costs associated with the issuance of the Series 2019 Bonds and (iii) funding the Series 2019 Debt Service Reserve Account.

The principal and interest on the Series 2019 Bonds are payable from and secured by Pledged Revenues, which consist primarily of the Series 2019 Special Assessments derived by the District from non-ad valorem special assessments levied against certain lands in the District that are subject to assessment as a result of the Series 2019 Project or any portion thereof.

The Series 2019 Bonds shall be as described in, and shall be issued and secured pursuant to, the provisions of the Indenture. At the time of issuance of the Series 2019 Bonds, the District, E-Town Development, Inc. (the "Master Developer") and/or Eastland Timber, LLC (the "Landowner") will enter into: (a) a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") among the District, the Landowner and Governmental Management Services, LLC (the "Dissemination Agent") dated as of the date of Closing (hereinafter defined); (b) the Agreement Between the District and the Landowner Regarding the True-Up and Payment of Series 2019 Special Assessments (the "True Up Agreement") dated as of the date of Closing; (c) the Collateral Assignment and Assumption of Development Rights (the "Collateral Assignment") between the District[, the Landowner] and the Master Developer dated as of the date of Closing; (d) the Agreement Regarding the Acquisition of Certain Work Product, Infrastructure and Real Property (the "Acquisition Agreement") between the District and the Master Developer dated as of the date of Closing; (e) the Declaration of Consent to Jurisdiction of Cypress Bluff Community Development District and to Imposition of Special Assessments for Series 2019 Bonds (the "Declaration of Consent") by the Landowner dated as of the date of Closing; and (f) this Bond Purchase Agreement. For purposes hereof, this Bond Purchase Agreement, the Indenture, the Continuing Disclosure Agreement, the True-Up Agreement, the Collateral Assignment, the Acquisition Agreement and the Declaration of Consent, are referred to herein collectively as the "Financing Documents."

2. Delivery of Limited Offering Memorandum and Other Documents.

(a) Prior to the date hereof, the District provided to the Underwriter for its review the Preliminary Limited Offering Memorandum, dated January [], 2019 (the

"Preliminary Limited Offering Memorandum"), that the District deemed final as of its date, except for certain permitted omissions (the "permitted omissions"), as contemplated by Rule 15c2-12 of the Securities and Exchange Commission (the "SEC Rule") in connection with the pricing of the Series 2019 Bonds. The District hereby confirms that the Preliminary Limited Offering Memorandum was deemed final as of its date, except for the permitted omissions.

(b) The District shall deliver, or cause to be delivered, at its expense, to the Underwriter, within seven (7) business days after the date hereof, or use good faith to deliver within such shorter period as may be requested by the Underwriter and at least one (1) business day prior to the date of Closing, or within such other period as the Underwriter may inform the District which is necessary for the Underwriter to comply with regulations of the Municipal Securities Rulemaking Board ("MSRB") in order to accompany any confirmation that requests payment from any customer (i) sufficient copies of the final Limited Offering Memorandum (the "Limited Offering Memorandum") to enable the Underwriter to fulfill its obligations pursuant to the securities laws of the State of Florida and the United States, in form and substance satisfactory to the Underwriter, and (ii) an executed original counterpart or certified copy of the Limited Offering Memorandum and the Indenture. In determining whether the number of copies to be delivered by the District are reasonably necessary, at a minimum, the number shall be determined by the Underwriter and conveyed to the District as shall be sufficient to enable the Underwriter to comply with the requirements of the SEC Rule, all applicable rules of the MSRB, and to fulfill its duties and responsibilities under Florida and federal securities laws generally.

The Underwriter agrees to file the Limited Offering Memorandum in accordance with applicable MSRB rules.

The District authorizes, or ratifies as the case may be, the use and distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in connection with the limited public offering and sale of the Series 2019 Bonds. The Underwriter agrees that it will not confirm the sale of any Series 2019 Bonds unless the confirmation of sale requesting payment is accompanied or preceded by the delivery of a copy of the Limited Offering Memorandum.

(c) From the date hereof until the earlier of (i) ninety (90) days from the "end of the underwriting period" (as defined in the SEC Rule), or (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB (but in no case less than twenty-five (25) days following the end of the underwriting period), if the District has knowledge of the occurrence of any event which may make it necessary to amend or supplement the Limited Offering Memorandum in order to make the statements therein, in light of the circumstances under which they were made, not misleading, the District shall notify the Underwriter and if, in the reasonable opinion of the District or the Underwriter, such event requires the preparation and publication of an amendment or supplement to the Limited Offering Memorandum, the District, at its expense (unless such event was caused by the Underwriter), shall promptly prepare an appropriate amendment or supplement thereto (and file, or cause to be filed, the same with the MSRB, and mail such amendment or supplement to each record owner of Series 2019 Bonds) so that the statements in the Limited Offering Memorandum as so amended or supplemented will not, in light of the circumstances under which they were made, be misleading, in a form and in a manner

reasonably approved by the Underwriter. The District will promptly notify the Underwriter of the occurrence of any event of which it has knowledge, which, in its opinion, is an event described in the preceding sentence. The amendments or supplements that may be authorized for use with respect to the Series 2019 Bonds are hereinafter included within the term "Limited Offering Memorandum."

3. Authority of the Underwriter. The Underwriter is duly authorized to execute this Bond Purchase Agreement and to perform its obligations hereunder. The Underwriter hereby represents that neither it nor any "person" or "affiliate" has been on the "convicted vendor list" during the past 36 months, as all such terms are defined in Section 287.133, Florida Statutes, as amended.

4. Offering and Sale of Series 2019 Bonds. The Underwriter agrees to make a bona fide limited offering to "accredited investors" representing the general public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) of all of the Series 2019 Bonds at not in excess of the initial public offering price or prices (or below the yield or yields) set forth in Exhibit A hereto; provided, however, that the Underwriter may (i) offer and sell the Series 2019 Bonds to certain bond houses, brokers or to similar persons or organizations acting in the capacity of underwriters or wholesalers at prices lower than the public offering prices set forth in Exhibit A hereto, and (ii) change such initial offering prices (or yields) as the Underwriter deems necessary in connection with the marketing of the Series 2019 Bonds. The Underwriter agrees to assist the District in establishing the issue price as provided in Section 19 hereof.

The District hereby authorizes the Underwriter to use the Limited Offering Memorandum in connection with the limited public offering and sale of the Series 2018 Bonds and ratifies and confirms the distribution and use by the Underwriter prior to the date hereof of the Preliminary Limited Offering Memorandum in connection with such limited public offering and sale.

5. District Representations, Warranties, Covenants and Agreements. The District represents and warrants to and covenants and agrees with the Underwriter that, as of the date hereof and as of the date of Closing:

(a) The District is a local unit of special purpose government, duly organized and established and validly existing under the Act and the Constitution and laws of the State of Florida, with full legal right, power and authority (1) to impose, levy and collect the Series 2019 Special Assessments in the manner described in the Limited Offering Memorandum, (2) to issue the Series 2019 Bonds for the purposes for which they are to be issued, as described in the Limited Offering Memorandum, (3) to secure the Series 2019 Bonds as provided by the Indenture, (4) to enter into the Financing Documents to which it is a party, and (5) to carry out and consummate all of the transactions contemplated by the Financing Documents.

(b) The District has complied with the Bond Resolution, the Assessment Resolutions, the Act, and the Constitution and laws of the State of Florida in all matters relating to the Financing Documents and the Series 2019 Bonds, and the imposition, and levy and collection of the Series 2019 Special Assessments.

(c) The District has duly authorized and approved (1) the execution and delivery, or adoption, as the case may be, and performance of the Financing Documents, the Series 2019 Special Assessments and the Series 2019 Bonds, (2) the use and distribution of the Preliminary Limited Offering Memorandum and the execution delivery and distribution of the Limited Offering Memorandum, and (3) the taking of any and all such action as may be required on the part of the District to carry out, give effect to and consummate the transactions contemplated by the Financing Documents, the Series 2019 Special Assessments, the Series 2019 Bonds and the Limited Offering Memorandum.

(d) Each of the Financing Documents to which the District is a party constitutes a legally valid and binding obligation of the District enforceable in accordance with its terms, and, upon due authorization, execution and delivery hereof and thereof by the parties thereto, will constitute the legal, valid and binding obligation of the District enforceable in accordance with its respective terms.

(e) When delivered to and paid for by the Underwriter at the Closing in accordance with the provisions of this Bond Purchase Agreement, the Series 2019 Bonds will have been duly authorized, executed, authenticated, issued and delivered and will constitute legal, valid and binding special obligations of the District, conforming to the Act, and entitled to the benefit and security of the Indenture.

(f) Upon the execution, authentication, issuance and delivery of the Series 2019 Bonds as aforesaid, the Supplemental Indenture will provide, for the benefit of the holders from time to time of the Series 2019 Bonds, a legally valid and binding pledge of and a security interest in and to the Pledged Revenues pledged to the Series 2019 Bonds, subject only to the provisions of the Supplemental Indenture permitting the application of such Pledged Revenues for the purposes and on the terms and conditions set forth in the Supplemental Indenture.

(g) Other than any approvals that might be required under the securities laws of any state, no approval, permit, consent or authorization of, or registration or filing with, any governmental or public agency or authority or any other entity not already obtained or made, or to be made simultaneously with the issuance of the Series 2019 Bonds, is required to be obtained by the District in connection with the issuance and sale of the Series 2019 Bonds, or the execution and delivery by the District of, or the due performance of its obligations under, the Financing Documents and the Series 2019 Bonds, and any such approvals, permits, consents or authorizations so obtained are in full force and effect.

(h) Other than as disclosed in the Limited Offering Memorandum, the District is not in breach of or in default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States, the Financing Documents, the Series 2019 Bonds or any applicable judgment or decree or any other loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, that could have a materially adverse effect on the business or operations of the District, and no event of default by the District has occurred and is continuing under any such instrument except as otherwise stated herein.

(i) The execution and delivery by the District of the Financing Documents, the Series 2019 Bonds and any other instrument to which the District is a party and which is used or contemplated for use in conjunction with the transactions contemplated by the Financing Documents, the Series 2019 Bonds, or the Limited Offering Memorandum, and the compliance with the provisions of each such instrument and the consummation of any transactions contemplated hereby and thereby, will not conflict with or constitute a breach of or default under any indenture, contract, agreement, or other instrument to which the District is a party or by which it is bound, or to the best of its knowledge under any provision of the Constitution of the State of Florida or any existing law, rule, regulation, ordinance, judgment, order or decree to which the District (or any of its supervisors or officers in their respective capacities as such) or its properties is subject.

(j) Except as disclosed in the Limited Offering Memorandum, there is no action, suit, hearing, inquiry or investigation, at law or in equity, before or by any court, public board, agency or body, pending or, to the best knowledge of the District, threatened against or affecting the District or any of its supervisors in their respective capacities as such, in which an unfavorable decision, ruling or finding would, in any material way, adversely affect (1) the transactions contemplated by the Financing Documents, the Series 2019 Bonds or the proceedings relating to the Series 2019 Special Assessments, (2) the organization, existence or powers of the District or any of its supervisors or officers in their respective capacities as such, (3) the business, properties or assets or the condition, financial or otherwise, of the District, (4) the validity or enforceability of the Series 2019 Bonds, the Financing Documents, the Series 2019 Special Assessments or any other agreement or instrument to which the District is a party and which is used or contemplated for use in the transactions contemplated hereby or by the Indenture, (5) the exclusion from gross income for federal income tax purposes of the interest on the Series 2019 Bonds, (6) the exemption under the Act of the Series 2019 Bonds and the interest thereon from taxation imposed by the State of Florida, (7) the legality of investment in the Series 2019 Bonds for certain investors as provided in the Act, (8) the issuance, sale or delivery of the Series 2019 Bonds, or (9) the collection of the Series 2019 Special Assessments and the pledge thereof under the Indenture to pay the principal or premium, if any, or interest on the Series 2019 Bonds.

(k) The District has not issued, assumed or guaranteed any indebtedness, incurred any material liabilities, direct or contingent, or entered into any contract or arrangement of any kind payable from or secured by a pledge of the Pledged Revenues pledged to the Series 2019 Bonds with a lien thereon prior to or on a parity with the lien of the Series 2019 Bonds.

(l) Between the date of this Bond Purchase Agreement and the date of Closing, the District will not, without the prior written consent of the Underwriter, incur any material liabilities, direct or contingent, nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the District, other than (1) as contemplated by the Limited Offering Memorandum, or (2) in the ordinary course of business.

(m) Any certificates signed by any official of the District authorized to do so shall be deemed a representation and warranty by the District to the Underwriter as to the statements made therein.

(n) No representation or warranty by the District in this Bond Purchase Agreement nor any statement, certificate, document or exhibit furnished or to be furnished by the District pursuant to this Bond Purchase Agreement or the Limited Offering Memorandum or in connection with the transactions contemplated hereby contains or will contain on the date of Closing any untrue statement of a material fact or omits or will omit a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading; provided, however, that no representation is made with respect to information concerning The Depository Trust Company or the Underwriter, or concerning information in the Limited Offering Memorandum under the captions "SUITABILITY FOR INVESTMENT," "DESCRIPTION OF THE SERIES 2019 BONDS - Book-Entry Only System," "THE DISTRICT - District Manager and Other Consultants," "THE LANDOWNER," "THE MASTER DEVELOPER," "THE DEVELOPMENT," "TAX MATTERS," "LITIGATION - Master Developer/Landowner" and "UNDERWRITING."

(o) Except as disclosed in the Limited Offering Memorandum, the District is not in default and has not been in default at any time after December 31, 1975 as to principal or interest with respect to any obligations issued or guaranteed by the District.

6. The Closing. At 12:00 noon, New York time, on February [], 2019, or at such earlier or later time or date to which the District and the Underwriter may mutually agree, the District will, subject to the terms and conditions hereof, deliver the Series 2019 Bonds to the Underwriter in full book-entry form, duly executed, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the aggregate purchase price of the Series 2019 Bonds as set forth in Paragraph 1 hereof (such delivery of and payment for the Series 2019 Bonds is herein called the "Closing"). The District shall cause CUSIP identification numbers to be printed on the Series 2019 Bonds, but neither the failure to print such number on any Series 2019 Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Series 2019 Bonds in accordance with the terms of this Bond Purchase Agreement. The Closing shall occur at the offices of the District, or such other place to which the District and the Underwriter shall have mutually agreed. The Series 2019 Bonds shall be prepared and delivered as fully registered bonds in such authorized denominations and registered in full book-entry form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC") and shall be delivered to DTC during the business day prior to the Closing for purposes of inspection, unless the DTC "F.A.S.T." procedure is used which requires the Registrar to retain possession of the Series 2019 Bonds.

7. Closing Conditions. The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations, warranties and agreements of the District contained herein and contained in the documents and instruments delivered at the Closing, and upon the performance by the District of its obligations hereunder, as of the date of Closing. Accordingly, the Underwriter's obligations under this Bond Purchase Agreement to cause the purchase, acceptance of delivery and payment for the Series 2019 Bonds shall be subject to the performance by the District of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following conditions:

(a) The representations and warranties of the District contained herein shall be true, complete and correct on and as of the date of Closing, the statements made in all certificates and other documents delivered to the Underwriter at the Closing shall be true, complete and correct as of the date of Closing, and the District shall be in compliance with each of the agreements made by it in this Bond Purchase Agreement and the Indenture as of the date of Closing;

(b) At the Closing, (1) the Financing Documents and the Series 2019 Special Assessments shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and the District shall have adopted and there shall be in full force and effect such additional agreements therewith and in connection with the issuance of the Series 2019 Bonds all such action as in the reasonable opinion of Bond Counsel shall be necessary in connection with the transactions contemplated hereby, (2) the Limited Offering Memorandum shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, (3) there shall not have occurred any event that causes the Limited Offering Memorandum or any amendment or supplement thereto to contain an untrue or misleading statement of fact that in the opinion of the Underwriter or its counsel is material or omits to state a fact that in the opinion of the Underwriter or its counsel is material and necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (4) the District shall perform or shall have performed all of its obligations under or specified in the Financing Documents to be performed at or prior to the Closing, and (5) the Series 2019 Bonds shall have been duly authorized, executed, authenticated and delivered;

(c) At or prior to the Closing, the Underwriter shall have received executed or certified copies of the following documents:

(1) Certificates of the District, dated the date of Closing, regarding the Limited Offering Memorandum and no default;

(2) The Bond Resolution and Assessment Resolutions, certified by authorized officers of the District under its seal as true and correct copies and as having been adopted with only such amendments, modifications or supplements as may have been approved by the Underwriter;

(3) The Master Indenture and Supplemental Indenture, certified by authorized officers of the District as true and correct copies;

(4) The Limited Offering Memorandum, executed on behalf of the District by the Chairman of its Board of Supervisors;

(5) A certificate of the District, dated the date of Closing, signed on its behalf by the Chairman and the Secretary of its Board of Supervisors, in substantially the form attached as Exhibit C hereto;

(6) An opinion, dated the date of Closing, of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel, substantially in the form attached as an Appendix to the Limited Offering Memorandum;

(7) A supplemental opinion, dated the date of Closing, of Bond Counsel to the effect that (i) the Underwriter may rely on the approving opinion of Bond Counsel as though such opinion were addressed to them, (ii) the Series 2019 Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended, (iii) Bond Counsel has reviewed the statements contained in the Limited Offering Memorandum under the sections captioned "DESCRIPTION OF THE SERIES 2019 BONDS" (other than the portion thereof captioned "Book-Entry Only System" and other than any information therein relating to DTC or the book-entry system) and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2019 BONDS" (other than the portions thereof captioned "Collateral Assignment" and "True-Up Agreement") and is of the opinion that insofar as such statements purport to summarize certain provisions of the Series 2019 Bonds and the Indenture, such statements are accurate summaries of the provisions purported to be summarized therein and (iv) Bond Counsel has also reviewed the information contained in the Limited Offering Memorandum under the section captioned "TAX MATTERS" and believes that such information is accurate;

(8) An opinion, dated the date of Closing, of Hopping Green & Sams P.A. Tallahassee, Florida, District Counsel, in substantially the form attached as Exhibit D hereto;

(9) An opinion, dated the date of Closing, of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, counsel to the Underwriter (the "Underwriter's Counsel"), in form and substance satisfactory to the Underwriter;

(10) A certificate, dated the date of Closing, of the authorized officers of the District to the effect that, on the basis of the facts, estimates and circumstances in effect on the date of Closing, it is not expected that the proceeds of the Series 2019 Bonds will be used in a manner that would cause the Series 2019 Bonds to be "arbitrage bonds" within the meaning of Section 148 of Internal Revenue Code of 1986, as amended;

(11) Specimen Series 2019 Bonds;

(12) Executed Financing Documents;

(13) A copy of the executed Letter of Representations between the District and The Depository Trust Company, New York, New York;

(14) A copy of the Master Special Assessment Methodology Report and the Supplemental Assessment Methodology Report for the Special Assessment Revenue Bonds Series 2019, each prepared by Government Management Services, LLC, and a certificate from such firm in substantially the form attached as Exhibit E hereto;

(15) An opinion, dated the date of Closing, of in-house counsel to the Trustee, substantially to the effect that such trust company or commercial bank is a duly organized trust company or commercial bank with necessary powers to serve as trustee under the Indenture and has duly and with legal authority executed and

delivered the Indenture and that the Indenture is binding and enforceable against the Trustee, all in form and substance satisfactory to the Underwriter;

(16) A copy of the Improvement Plan for the Cypress Bluff Community Development District and the Supplemental Engineer's Report for the Series 2019 Capital Improvements (collectively, the "Engineer's Report"), and a certificate from the District Engineer, in substantially the form attached as Exhibit F hereto;

(17) A certificate executed by the District Manager that all resolutions required to be published by Florida law have been published in accordance with the requirements of Florida law;

(18) A certificate of the Master Developer and Landowner, in substantially the form attached as Exhibit G hereto and an opinion of counsel to the Master Developer and Landowner in substantially the form attached as Exhibit H hereto (which may be addressed to such parties listed in Exhibit G in one or more separate opinions;

(19) Evidence of compliance with the requirements of Section 189.051 and Section 215.84, Florida Statutes;

(20) Such additional legal opinions, certificates (including such certificates as may be required by regulations of the Internal Revenue Service in order to establish the tax exempt character of the Series 2019 Bonds, which certificates shall be satisfactory in form and substance to Bond Counsel), and other evidence as the Underwriter, Bond Counsel or Underwriter's Counsel may deem necessary to evidence the truth and accuracy as of the date of Closing of the representations and warranties of the District herein contained and of the information contained in the Limited Offering Memorandum and the due performance and satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by it.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Bond Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance as set forth herein or as described herein or as otherwise satisfactory to the Underwriter. Receipt of, and payment for, the Series 2019 Bonds shall constitute evidence of the satisfactory nature of such as to the Underwriter. The performance of any and all obligations of the District hereunder and the performance of any and all conditions herein for the benefit of the Underwriter may be waived by the Underwriter in their sole discretion.

If the District shall be unable to satisfy the conditions to the obligations of the Underwriter to cause the purchase, acceptance of delivery and payment for the Series 2019 Bonds contained in this Bond Purchase Agreement, or if the obligations of the Underwriter to cause the purchase, acceptance of delivery and payment of the Series 2019 Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate, and neither the Underwriter nor the District shall be under further obligation hereunder, but the respective obligations of the Underwriter and the District set forth in Section 9 hereof shall continue in full force and effect.

8. Termination. The Underwriter may terminate this Bond Purchase Agreement by written notice to the District in the event that between the date hereof and the date of Closing:

(a) the marketability of the Series 2019 Bonds or the market price thereof, in the reasonable opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation (other than any actions taken by either House of Congress on or prior to the date hereof) (1) enacted or adopted by the United States, (2) recommended to the Congress or otherwise endorsed for passage, by press release, other form of notice or otherwise, by the President of the United States, the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, the Treasury Department of the United States or the Internal Revenue Service, or (3) favorably reported out of the appropriate Committee for passage to either House of the Congress by any full Committee of such House to which such legislation has been referred for consideration, or by any decision of any court of the United States or by any order, rule or regulation (final, temporary or proposed) on behalf of the Treasury Department of the United States, the Internal Revenue Service or any other authority or regulatory body of the United States, or by a release or announcement or communication issued or sent by the Treasury Department or the Internal Revenue Service of the United States, or any comparable legislative, judicial or administrative development affecting the federal tax status of the District, its property or income, obligations of the general character of the Series 2019 Bonds, as contemplated hereby, or the interest thereon; or

(b) any legislation, rule, or regulation shall be introduced in, or be enacted or adopted in the State of Florida, or a decision by any court of competent jurisdiction within the State of Florida shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2019 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2019 Bonds to be purchased by them; or

(c) any amendment to the Limited Offering Memorandum is proposed by the District or deemed necessary by Bond Counsel or the Underwriter which, in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2019 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2019 Bonds to be purchased by them; or

(d) there shall have occurred any outbreak or escalation of hostility, declaration by the United States of a national emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the sole judgment of the Underwriter, impractical or inadvisable to proceed with the offering or delivery of the Series 2019 Bonds as contemplated by the Limited Offering Memorandum (exclusive of any amendment or supplement thereto); or

(e) legislation shall be enacted or adopted, or any action shall be taken by, or on behalf of, the Securities and Exchange Commission which, in the reasonable opinion of Bond Counsel, has the effect of requiring the contemplated distribution of the Series 2019 Bonds to be registered under the Securities Act of 1933, as amended (the "1933 Act"), or the Indenture to be qualified under the Trust Indenture Act of 1939, as amended (the "1939

Act"), or any laws analogous thereto relating to governmental bodies, and compliance therewith cannot be accomplished prior to the Closing; or

(f) legislation shall be introduced by amendment or otherwise in or be enacted by the House of Representatives or the Senate of the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, release, regulation, official statement or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental authority having jurisdiction of the subject matter of the Series 2019 Bonds shall have been proposed, issued or made (which is beyond the control of the Underwriter or the District to prevent or avoid) to the effect that the issuance, offering or sale of the Series 2019 Bonds as contemplated hereby or by the Limited Offering Memorandum, or any document relating to the issuance, offering or sale of the Series 2019 Bonds is or would be in violation of any of the federal securities laws at Closing, including the 1933 Act, as amended and then in effect, the Securities Exchange Act of 1934, as amended and then in effect, or the 1939 Act, as amended and then in effect, or with the purpose or effect of otherwise prohibiting the offering and sale of obligations of the general character of the Series 2019 Bonds, or the Series 2019 Bonds, as contemplated hereby; or

(g) there shall have occurred, after the signing hereof, either a financial crisis or a default with respect to the debt obligations of the District or proceedings under the federal or State of Florida bankruptcy laws shall have been instituted by the District, in either case the effect of which, in the reasonable judgment of the Underwriter, is such as to materially and adversely affect (1) the market price or the marketability of the Series 2019 Bonds, or (2) the ability of the Underwriter to enforce contracts for the sale of the Series 2019 Bonds; or

(h) a general banking moratorium shall have been declared by the United States, New York or State of Florida authorities, which in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2019 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2019 Bonds to be purchased by them; or

(i) any national securities exchange or any governmental authority shall impose, as to the Series 2019 Bonds or obligations of the general character of the Series 2019 Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the establishment of material restrictions upon trading of securities, including limited or minimum prices, by any governmental authority or by any national securities exchange which, in the reasonable opinion of the Underwriter materially adversely affects the market for the Series 2019 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2019 Bonds to be purchased by it; or

(j) legal action shall have been filed against the District wherein an adverse ruling would materially adversely affect the transactions contemplated hereby or by the Limited Offering Memorandum or the validity of the Series 2019 Bonds, the Resolution, the Indenture, the Continuing Disclosure Agreement or this Bond Purchase Agreement; provided, however, that as to any such litigation, the District may request and the Underwriter may accept an opinion by Bond Counsel, or other counsel acceptable to the Underwriter, that in such counsel's opinion the issues raised by any such litigation or

proceeding are without substance or that the contentions of any plaintiffs therein are without merit; or

(k) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the District's obligations; or

(l) any information shall have become known which, in the Underwriter's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Limited Offering Memorandum, as the information contained therein has been supplemented or amended by other information, or causes the Limited Offering Memorandum, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading and upon the receipt of notice of same by the District, the District fails to promptly amend or supplement the Limited Offering Memorandum; or

(m) an event occurs as a result of which the Limited Offering Memorandum, as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact which is necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading which, in the reasonable opinion of the Underwriter, requires an amendment or supplement to the Limited Offering Memorandum and, in the reasonable opinion of the Underwriter, materially adversely affects the marketability of the Series 2019 Bonds or the contemplated offering prices thereof and upon the receipt of notice by the District, the District fails to promptly amend or supplement the Limited Offering Memorandum; or

(n) the Internal Revenue Service makes a determination with respect to any special purpose development district formed under Florida law (referred to herein as a "Special District") deeming that all or certain of such Special Districts are not a "political subdivision" for purposes of Section 103(a) of the Internal Revenue Code, and such determination, in the reasonable opinion of the Underwriter, materially adversely affects the federal tax status of the District, the tax exempt character or marketability of the Series 2018 Bonds or the contemplated offering prices thereof.

9. Expenses.

(a) The District agrees to pay from the proceeds of the Series 2019 Bonds, and the Underwriter shall be under no obligation to pay, all expenses incident to the performance of the District's obligations hereunder, including but not limited to (1) the cost of the preparation, printing or other reproduction (for distribution prior to, on or after the date of acceptance of this Bond Purchase Agreement) of a reasonable number of copies of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, (2) the fees and disbursements of Bond Counsel, District Counsel, Underwriter's Counsel, Government Management Services, LLC, as Assessment Consultant, England Thims & Miller, Inc., as District Engineer, and any other experts or consultants retained by the District, including, but not limited to, the fees and expenses of the District Manager, and

(3) the fees and disbursements of the Trustee, Bond Registrar and Paying Agent under the Indenture.

(b) The Underwriter shall pay (1) the cost of qualifying the Series 2019 Bonds for sale in various states chosen by the Underwriter and the cost of preparing or printing any Blue Sky and legal investment memoranda to be used in connection with such sale, and (2) out-of-pocket expenses and advertising, incurred by them in connection with their offering and distribution of the Series 2019 Bonds.

(c) In the event that either the District or the Underwriter shall have paid obligations of the other as set forth in this Section, adjustment shall be made at or prior to Closing.

10. Notices. All notices, demands and formal actions hereunder shall be in writing and mailed, telegraphed or delivered to:

The Underwriter: MBS Capital Markets, LLC
152 Lincoln Avenue
Winter Park, Florida 32789
Attn: Brett Sealy

The District: Cypress Bluff Community Development District
c/o Governmental Management Services, LLC
475 West Town Place, Suite 114
St. Augustine, Florida 32092
Attn: James Perry

Copy to District Counsel: Hopping Green & Sams, P.A.
119 S. Monroe St., Suite 300
Tallahassee, Florida 32301
Attn: Katie Buchanan

11. Parties in Interest. This Bond Purchase Agreement is made solely for the benefit of the District and the Underwriter (including the successors or assignees of the District or the Underwriter) and no other party or person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties, covenants and agreements in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of: (a) any investigations made by or on behalf of the Underwriter; (b) the delivery of and payment for the Series 2019 Bonds pursuant to this Bond Purchase Agreement; or (c) any termination of this Bond Purchase Agreement but only to the extent provided by the last paragraph of Section 7 hereof.

12. Waiver. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the District hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter in their sole discretion.

13. Effectiveness. This Bond Purchase Agreement shall become effective upon the execution of the acceptance hereof by the Chairman and shall be valid and enforceable at the time of such acceptance.

14. Counterparts. This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as a net original and all of which shall constitute one and the same document.

15. Headings. The headings of the sections of this Bond Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

16. Florida Law Governs. The validity, interpretation and performance of this Bond Purchase Agreement shall be governed by the laws of the State of Florida.

17. Truth In Bonding Statement. Pursuant to the provisions of Section 218.385(2) and (3), Florida Statutes, as amended, the Underwriter provides the following truth-in-bonding statement:

(a) The District is proposing to issue \$[Bond Amount] of its Series 2019 Bonds for the purposes described in Section 1 hereof. This obligation is expected to be repaid over a period of approximately [] years. At a true interest cost of approximately[_____]%, total interest paid over the life of the obligation will be \$[_____].

(b) The sources of repayment for the Series 2019 Bonds are Pledged Revenues (as described in Section 1 hereof). Authorizing this obligation will result in an average of approximately \$[_____] not being available to finance other services of the District every year for approximately [] years.

18. No Advisory or Fiduciary Role. The District acknowledges and agrees that (a) the purchase and sale of the Series 2019 Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the District and the Underwriter, (b) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as an advisor (including, without limitation, a Municipal Advisor, as such term is defined in Section 975(e) of the Dodd Frank Wall Street Reform and Consumer Protection Act), agent or fiduciary of the District, (c) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the District with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter or any affiliate of the Underwriter has provided other services or is currently providing other services to the District on other matters) and the Underwriter has no obligation to the District with respect to the offering contemplated hereby except the obligations expressly set forth in this Bond Purchase Agreement, (d) the District has consulted its own legal, financial and other advisors to the extent it has deemed appropriate in connection with the offering of the Series 2019 Bonds, (e) the Underwriter has financial and other interests that differ from those of the District, and (f) the District has received the Underwriter's G-17 Disclosure Letter.

19. Establishment of Issue Price.

(a) The Underwriter agrees to assist the District in establishing the issue price of the Series 2019 Bonds and shall execute and deliver to the District at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached as Exhibit I hereto, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2019 Bonds.

(b) Except as otherwise set forth in Schedule A to Exhibit I attached hereto, the District will treat the first price at which 10% of each maturity of the Series 2019 Bonds (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Series 2019 Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2019 Bonds, the Underwriter agrees to promptly report to the District the prices at which it sells the unsold Series 2019 Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing has occurred, until the 10% test has been satisfied as to the Series 2019 Bonds of that maturity or until all Series 2019 Bonds of that maturity have been sold to the public.

(c) The Underwriter confirms that it has offered the Series 2019 Bonds to the public on or before the date of this Bond Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A to Exhibit I attached hereto, except as otherwise set forth therein. Schedule A to Exhibit I also sets forth, as of the date of this Bond Purchase Agreement, the maturities, if any, of the Series 2019 Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2019 Bonds, the Underwriter will neither offer nor sell unsold Series 2019 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2019 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the District when it has sold 10% of that maturity of the Series 2019 Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(d) The Underwriter acknowledges that sales of any Series 2019 Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(1) "public" means any person other than an underwriter or a related party;

(2) "underwriter" means (i) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2019 Bonds to the public and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) to participate in the initial sale of the Series 2019 Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2019 Bonds to the public);

(3) a purchaser of any of the Series 2019 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(4) "sale date" means the date of execution of this Bond Purchase Agreement by all parties.

[Remainder of Page Intentionally Left Blank]

20. Entire Agreement. This Bond Purchase Agreement when accepted by you in writing as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the District or the Underwriter). No other person shall acquire or have any right hereunder or by virtue hereof.

Very truly yours,

MBS CAPITAL MARKETS, LLC

By: _____
Brett Sealy, Managing Partner

Accepted by:

**CYPRESS BLUFF
COMMUNITY DEVELOPMENT DISTRICT**

By: _____
Richard T. Ray, Chairman,
Board of Supervisors

EXHIBIT A

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS, PRICES AND INITIAL CUSIP NUMBERS

\$_____ % Term Series 2019 Bonds Due May 1, 20__ Yield _____% Price _____ CUSIP No. _____
\$_____ % Term Series 2019 Bonds Due May 1, 20__ Yield _____% Price _____ CUSIP No.* _____
\$_____ % Term Series 2019 Bonds Due May 1, 20__ Yield _____% Price _____ CUSIP No.* _____
\$_____ % Term Series 2019 Bonds Due May 1, 20__ Yield _____% Price _____ CUSIP No.* _____

Redemption Provisions

Optional Redemption. The Series 2019 Bonds may, at the option of the District in writing, be called for redemption prior to maturity in whole or in part at any time on or after May 1, 20[__] (less than all Series 2019 Bonds to be specified by the District in writing), at a Redemption Price equal to 100% of the principal amount of Series 2019 Bonds to be redeemed plus accrued interest from the most recent Interest Payment Date to the date of redemption.

Mandatory Sinking Fund Redemption. The Series 2019 Bond maturing on May 1, 20[__], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>Year</u> <u>(May 1)</u>	<u>Sinking</u> <u>Fund</u> <u>Installment</u>	<u>Year</u> <u>(May 1)</u>	<u>Sinking</u> <u>Fund</u> <u>Installment</u>
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*Final Maturity

The Series 2019 Bond maturing on May 1, 20[__], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2019 Sinking Fund Account established under the Indenture in satisfaction of applicable Sinking Fund Installments at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

The District is not responsible for the use of CUSIP numbers, nor is any representation made as to their correctness.

<u>Year (May 1)</u>	<u>Sinking Fund Installment</u>	<u>Year (May 1)</u>	<u>Sinking Fund Installment</u>
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*Final Maturity

The above Sinking Fund Installments are subject to recalculation, as provided in the Master Indenture, as the result of the redemption of Series 2019 Bonds other than in accordance with scheduled Sinking Fund Installments so as to re-amortize the remaining Outstanding principal of Series 2019 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term thereof.

Extraordinary Mandatory Redemption. The Series 2019 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole, on any date, or in part, on any Redemption Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2019 Bonds to be redeemed, plus interest accrued to the date of redemption, as follows:

(i) from Series 2019 Prepayments deposited into the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund following the payment in whole or in part of Series 2019 Special Assessments on any portion of the Series 2019 Lands in accordance with the provisions of the First Supplemental Indenture, including any excess moneys transferred from the Series 2019 Debt Service Reserve Account to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund resulting from such Series 2019 Prepayment pursuant to the First Supplemental Indenture; or

(ii) on or after the Completion Date of the Series 2019 Project, by application of moneys remaining in the Series 2019 Acquisition and Construction Account of the Acquisition and Construction Fund not reserved by the District for the payment of any remaining part of the Cost of the Series 2019 Project, which has been transferred as specified in the First Supplemental Indenture to the Series 2019 General Account of the Series 2019 Bond Redemption Fund, credited toward extinguishment of the Series 2019 Special Assessments and applied toward the redemption of the Series 2019 Bonds in accordance with the manner it has credited such excess moneys toward extinguishment of Series 2019 Special Assessments which the District shall describe to the Trustee in writing; or

(iii) following condemnation or the sale of any portion of the Series 2019 Project to a governmental entity under threat of condemnation by such governmental entity and the payment of moneys which are not to be used to rebuild, replace or restore the taken portion of the Series 2019 Project to the Trustee by or on behalf of the District for deposit into the Series 2019 General Account of the Series 2019 Bond Redemption Fund in order to effectuate such redemption and which moneys shall be applied by the District to redeem Series 2019 Bonds in accordance

with the manner it has credited such moneys toward extinguishment of Series 2019 Special Assessments which the District shall describe to the Trustee in writing; or

(iv) following the damage or destruction of all or substantially all of the Series 2019 Project to such extent that, in the reasonable opinion of the District, the repair and restoration thereof would not be economical or would be impracticable, to the extent of amounts paid by the District to the Trustee for deposit to the Series 2019 General Account of the Series 2019 Bond Redemption Fund which moneys shall be applied by the District to redeem Series 2019 Bonds in accordance with the manner it has credited such moneys toward extinguishment of Series 2019 Special Assessments; provided, however, that at least forty-five (45) days prior to such extraordinary mandatory redemption, the District shall cause to be delivered to the Trustee (x) notice setting forth the date of redemption and (y) a certificate of the Consulting Engineer confirming that the repair and restoration of the Series 2019 Project would not be economical or would be impracticable, such certificate upon which the Trustee shall be entitled to rely; or

(v) from moneys, if any, on deposit in the Series 2019 Funds and Accounts (other than the Rebate Fund) sufficient to pay and redeem all Outstanding Series 2019 Bonds and accrued interest thereon to the date of redemption in addition to all amounts owed to Persons under the Indenture; or

(vi) on February 1, 2020, from amounts transferred to the Series 2019 General Account of the Series 2019 Bond Redemption Fund from the Series 2019 Acquisition and Construction Subaccount – Parcel E-3a of the Series 2019 Acquisition and Construction Account and from any applicable true-up payment as provided in the First Supplemental Indenture; or

(vii) on August 1, 2019, from amounts transferred to the Series 2019 General Account of the Series 2019 Bond Redemption Fund from the Series 2019 Acquisition and Construction Subaccount – Parcel E-5 of the Series 2019 Acquisition and Construction Account and from any applicable true-up payment as provided in the First Supplemental Indenture; or

(viii) on August 1, 2019, from amounts transferred to the Series 2019 Prepayment Account of the Series 2019 Bond Redemption Fund from the Series 2019 Acquisition and Construction Subaccount – Parcel E-7a of the Series 2019 Acquisition and Construction Account and from any applicable true-up payment as provided in the First Supplemental Indenture.

EXHIBIT B

**[\$[Bond Amount] Cypress Bluff Community Development District
Special Assessment Bonds, Series 2019**

DISCLOSURE STATEMENT

January [___], 2019

Cypress Bluff Community Development District
City of Jacksonville, Florida

Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the above-referenced bonds (the "Series 2019 Bonds"), MBS Capital Markets, LLC (the "Underwriter"), having purchased the Series 2019 Bonds pursuant to a Bond Purchase Agreement, dated as of January [___], 2019 (the "Purchase Agreement"), between the Underwriter and Cypress Bluff Community Development District (the "District"), makes the following disclosures in connection with the limited public offering and sale of the Series 2019 Bonds:

(a) The total underwriting discount paid to the Underwriter pursuant to the Purchase Agreement is \$[_____] (approximately [___]%).

(b) The total amount of expenses estimated to be incurred by the Underwriter in connection with the issuance of the Series 2019 Bonds is \$[_____]. An itemization of these expenses is attached hereto as Schedule I.

(c) There are no "finders" as such term is used in Sections 218.385 and 218.386, Florida Statutes, in connection with the issuance of the Series 2019 Bonds.

(d) The components of the Underwriter's discount are as follows:

	<u>Per \$1,000</u>
Management Fee	
Takedown	
Expenses	<hr/>

(e) There are no other fees, bonuses, or other compensation estimated to be paid by the Underwriter in connection with the Series 2019 Bonds to any person not regularly employed or retained by the Underwriter.

(f) The name and address of the Underwriter is set forth below:

MBS Capital Markets, LLC
152 Lincoln Avenue
Winter Park, Florida 32789

We understand that you do not require any further disclosure from the Underwriter, pursuant to Section 218.385(6), Florida Statutes, as amended.

Very truly yours,

MBS CAPITAL MARKETS, LLC

By: _____
Brett Sealy, Managing Partner

SCHEDULE I

ESTIMATED EXPENSES TO BE INCURRED BY UNDERWRITER

Travel Expenses

Communication

Day Loan

Clearance & Settlement Charges

CUSIP / DTC

Contingency

Total

EXHIBIT C

FORM OF CERTIFICATE OF DISTRICT

The undersigned, as Chairman and Secretary, respectively, of the Board of Supervisors of Cypress Bluff Community Development District (the "District"), a local unit of special-purpose government duly established and validly existing under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes, as amended (the "Act"), hereby certify to MBS Capital Markets, LLC (the "Underwriter") in satisfaction of Section 7(c)(5) of the Bond Purchase Agreement, dated January [], 2019 (the "Purchase Agreement") in connection with the issuance by the District of its \$[Bond Amount] Cypress Bluff Community Development District Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds"), as follows (terms used and not otherwise defined herein shall have the meaning ascribed to such terms in the Purchase Agreement):

1. Richard T. Ray is the duly appointed and acting Chairman of, and James Perry is the duly appointed and acting Secretary to, the Board of Supervisors of the District, authorized by resolution of the Board of Supervisors of the District pursuant to the Act to be custodian of all bonds, documents and papers filed with the District and the official seal of the District.

2. The following named persons are as of the date hereof the duly elected, qualified and acting members of the Board of Supervisors of the District:

<u>Name</u>	<u>Title</u>	<u>Term Expires November</u>
Richard T. Ray*	Chairman	2022
John Holmes	Vice Chairman	2020
John S. Hewins	Assistant Secretary	2022
Stephen Grossman	Assistant Secretary	2020
Chris Price	Assistant Secretary	2020

*Affiliate or employee of the Master Developer and/or Landowner.

3. The following named persons are the only designated, elected or appointed, qualified and acting officers of the Board of Supervisors of the District, holding the office of appointment set forth opposite their names, respectively:

<u>Name</u>	<u>Title</u>	<u>Term Expires November</u>
Richard T. Ray	Chairman	2022
John Holmes	Vice Chairman	2020
John S. Hewins	Assistant Secretary	2022
Stephen Grossman	Assistant Secretary	2020
Chris Price	Assistant Secretary	2020
James Perry	Secretary, Assistant Treasurer	Indefinite
James Oliver	Treasurer	Indefinite
Ernesto Torres	Assistant Secretary	Indefinite

Each of said persons since his or her appointment as aforesaid has been and now is the duly designated and qualified officer of the Board of Supervisors of the District holding the office set forth opposite his or her name, if required to file an oath of office, has done so, and if legally required to give a bond or undertaking has filed such bond or undertaking in form and amount required by law.

4. The seal, an impression of which appears below, was duly adopted by the District as its official seal and is the only legally adopted, proper and official seal of the District.

5. The Board of Supervisors of the District, at duly called and held meetings of the Board of Supervisors of the District on August 1, 2018 and [January 9], 2019, duly adopted Resolution Nos. 2018-27, and 2019-03, respectively (collectively, the "Bond Resolution"), which Bond Resolution remains in full force and effect on the date hereof.

6. The Board of Supervisors of the District, at duly called and held meetings of the Board of Supervisors of the District on August 20, 2018 and [____], 2019, duly adopted Resolution Nos. 2018-25, 2018-26 and 2019-[__] (collectively, the "Assessment Resolution"), which Assessment Resolution remains in full force and effect on the date hereof.

7. The District has complied with the provisions of Chapters 170, 190 and 197, Florida Statutes, related to the imposition, levy, collection and enforcement of the Series 2019 Special Assessments.

8. Upon authentication and delivery of the Series 2019 Bonds, the District will not be in default in the performance of the terms and provisions of the Bond Resolution, the Assessment Resolution or the Indenture.

9. Each of the representations and warranties made by the District in the Purchase Agreement is true and accurate on and as of this date.

10. The District has complied with all the agreements and satisfied all the conditions on its part to be complied with on or before the date hereof for delivery of the Series 2019 Bonds pursuant to the Purchase Agreement, the Bond Resolution, the Assessment Resolution and the Indenture.

11. To the best of our knowledge, since the date of the Limited Offering Memorandum, no material or adverse change has occurred in the business, properties, other assets and financial position of the District or results of operations of the District, and to the best of our knowledge, the District has not, since the date of the Limited Offering Memorandum, incurred any material liabilities other than as set forth in or contemplated by the Limited Offering Memorandum.

12. To the best of our knowledge, the statements appearing in the Limited Offering Memorandum did not as of its date and do not as of the date hereof contain an untrue statement of a material fact or omit to state a material fact required to be included therein or necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading; provided, however, that no

representation is made with respect to information concerning The Depository Trust Company or its book-entry only system, or concerning information in the Limited Offering Memorandum under the captions "SUITABILITY FOR INVESTMENT," "DESCRIPTION OF THE SERIES 2019 BONDS - Book-Entry Only System," "THE DISTRICT - District Manager and Other Consultants," "THE LANDOWNER," "THE MASTER DEVELOPER," "THE DEVELOPMENT," "TAX MATTERS," "LITIGATION - Master Developer/Landowner" and "UNDERWRITING." Subject to the foregoing limitations, nothing has come to our attention which would lead us to believe that the Limited Offering Memorandum, as of its date or as of the date hereof contained an untrue statement of a material fact, or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

13. Except as set forth in the Limited Offering Memorandum, no litigation or other proceedings are pending or to the knowledge of the District threatened in or before any agency, court or tribunal, state or federal, (a) restraining or enjoining or seeking to restrain or enjoin the issuance, sale, execution or delivery of any of the Series 2019 Bonds or the imposition, levy and collection of the Series 2019 Special Assessments or the pledge thereof to the payment of the principal of and premium, if any, and interest on the Series 2019 Bonds, (b) questioning or affecting the validity of any provision of the Series 2019 Bonds, the Bond Resolution, the Assessment Resolution, the Indenture, the Purchase Agreement, the Series 2019 Special Assessments or the Financing Documents, as those terms are defined in the Purchase Agreement, (c) questioning or affecting the validity of any of the proceedings or the authority for the authorization, sale, execution or delivery of the Series 2019 Bonds, (d) questioning or affecting the organization or existence of the District or the title of any of its officers to their respective offices or any powers of the District under the laws of the State of Florida, (e) contesting or affecting the Series 2019 Special Assessments, (f) contesting the accuracy or completeness of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum or any amendment or supplement thereto, (g) contesting the exclusion of interest on the Series 2019 Bonds from federal income taxation, or (h) contesting the exemption from taxation of the Series 2019 Bonds and the interest thereon under Florida law or the legality for investment therein.

14. To the best of our knowledge, the interest rate on the Series 2019 Bonds is in compliance with the requirements of Section 215.84(3), Florida Statutes.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, we have hereunder set our hands this [___] day of February, 2019.

(SEAL)

By: _____
Richard T. Ray,
Chairman, Board of Supervisors
Cypress Bluff Community Development District

By: _____
James Perry, Secretary
Cypress Bluff Community Development District

EXHIBIT D

FORM OF DISTRICT COUNSEL OPINION

[TO BE PROVIDED]

EXHIBIT E

FORM OF CERTIFICATE OF GOVERNMENTAL MANAGEMENT SERVICES, LLC

I, James Perry, Managing Director of Governmental Management Services, LLC, do hereby certify to Cypress Bluff Community Development District (the "District") and MBS Capital Markets, LLC (the "Underwriter") in connection with the issuance, sale and delivery by the District on this date of its \$[Bond Amount] Cypress Bluff Community Development District Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds") as follows (terms used and not otherwise defined herein shall have the meaning ascribed to such term in the Limited Offering Memorandum, dated January [], 2019 (the "Limited Offering Memorandum"), of the District relating to the Series 2019 Bonds):

(i) Governmental Management Services, LLC, has been retained by the District to prepare the Master Special Assessment Methodology Report, adopted on August 20, 2018, and the Supplemental Assessment Methodology Report for the Special Assessment Revenue Bonds Series 2019, adopted on [], 2019, comprising a part of the assessment proceedings of the District (collectively, the "Report");

(ii) the Series 2019 Special Assessments when, as and if finally determined in accordance with the methodology set forth in such report will be sufficient to meet the debt service requirements on the Series 2019 Bonds;

(iii) the Series 2019 Special Assessments provide a special benefit to the properties assessed and the Series 2019 Special Assessments are fairly and reasonably allocated to the properties assessed;

(iv) Governmental Management Services, LLC, consents to the use of the Report included as Appendix B to the Limited Offering Memorandum;

(v) Governmental Management Services, LLC, consents to the references to the firm in the Limited Offering Memorandum;

(vi) the Report was prepared in accordance with all applicable provisions of Florida law; and

(vii) the information contained in the Limited Offering Memorandum under the caption "SPECIAL ASSESSMENT METHODOLOGY" is true and correct in all material respects and such information does not contain any untrue statement of a material fact or omit to state any fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

IN WITNESS WHEREOF, the undersigned has set his hand this [] day of February, 2019.

**GOVERNMENTAL MANAGEMENT
SERVICES, LLC**

By: _____
James Perry, Managing Director

EXHIBIT F

FORM OF CERTIFICATE OF DISTRICT ENGINEER

February [], 2019

Board of Supervisors
Cypress Bluff Community Development District
City of Jacksonville, Florida

MBS Capital Markets, LLC
Winter Park, Florida

Re: Cypress Bluff Community Development District Special Assessment Bonds,
Series 2019 (the "Series 2019 Bonds")

Ladies and Gentlemen:

The undersigned serves as the District Engineer to the Cypress Bluff Community Development District (the "District"). This Certificate is furnished pursuant to Section 7(c)(16) of the Bond Purchase Agreement, dated January [], 2019, between the District and MBS Capital Markets, LLC (the "Purchase Agreement") relating to the sale of the Series 2019 Bonds. Terms used herein in capitalized form and not otherwise defined herein shall have the meaning ascribed thereto in said Purchase Agreement or in the Limited Offering Memorandum, dated January [], 2019, relating to the Series 2019 Bonds (the "Limited Offering Memorandum").

1. England, Thims & Miller, Inc. (the "Firm") has been retained by the District to serve as the District Engineer and to prepare the Improvement Plan for the Cypress Bluff Community Development District and the Supplemental Engineer's Report for the Series 2019 Capital Improvements (collectively, the "Report") included as an appendix to the Limited Offering Memorandum. Consent is hereby given to the references to the Firm and the Report in the Limited Offering Memorandum and to the inclusion of the Report as an appendix to the Limited Offering Memorandum.

2. The Report was prepared in accordance with generally accepted engineering practices.

3. In connection with the preparation of the Report personnel of the Firm participated in meetings with representatives of the District and its counsel, Bond Counsel, the Underwriter and its counsel and others in regard to the Series 2019 Project. The Series 2019 Project consists solely of infrastructure and other improvements set forth in the Act. Nothing has come to the attention of the Firm in relation to our engagement as described in this paragraph which would cause us to believe that the Report was, as of its date, or is as of the date hereof, or any of the statements in the Limited Offering Memorandum specifically attributed to the Firm were, as of the respective date of the Limited Offering Memorandum, or are as of the date hereof, inaccurate in any material respect.

4. The information contained in the Limited Offering Memorandum under the heading "THE CAPITAL IMPROVEMENT PLAN AND SERIES 2019 PROJECT" and in Appendix "A" to the Limited Offering Memorandum are accurate statements and fairly present the information purported to be shown, and nothing has come to the attention of the Firm that would lead it to believe that such section and appendix contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such statements, in light of the circumstances in which they were made, not misleading.

5. Except as described in the Report, all permits, consents or licenses, and all notices to or filings with governmental agencies necessary for the construction and acquisition of the Series 2019 Project as described in the Limited Offering Memorandum required to be obtained or made have been obtained or made or it is reasonable to believe that they will be obtained or made when required. There is no reason to believe that any permits, consents, licenses or governmental approvals required to complete any portion of the Series 2019 Project as described in the Limited Offering Memorandum will not be obtained as required. There is no reason to believe that the necessary water and sewer capacity will not be available when needed to permit the development of the Development as described in the Limited Offering Memorandum.

6. The proceeds of the Series 2019 Bonds deposited in the Series 2019 Acquisition and Construction Account and the Subaccounts therein created under the Indenture, together with the investment earnings thereon, will be sufficient to complete the portion of the Series 2019 Project to be financed with proceeds of the Series 2019 Bonds.

ENGLAND, THIMS & MILLER, INC.

By: _____
Name: _____
Title: _____

EXHIBIT G

FORM OF CERTIFICATE OF MASTER DEVELOPER AND LANDOWNER

The undersigned, the duly authorized representatives of **E-TOWN DEVELOPMENT, INC.**, a Florida corporation (the "Master Developer") and **EASTLAND TIMBER, LLC**, a Florida limited liability company (the "Landowner"), the master developer and landowner, respectively, of e-Town (the "Development"), do hereby certify to the **CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT** (the "District") and **MBS CAPITAL MARKETS, LLC** (the "Underwriter") that:

1. This certificate is delivered by the Master Developer and Landowner to enable the Underwriter to comply with Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale by the District of its \$[Bond Amount] Special Assessment Bonds, Series 2019 (the "Series 2019 Bonds"). Capitalized terms that are used in this certificate and not otherwise defined shall have the meanings assigned to such terms in the Limited Offering Memorandum, dated January [], 2019 (the "Limited Offering Memorandum"), and the Bond Purchase Agreement, dated January [], 2019, between the Underwriter and the District (the "Purchase Agreement").

2. The information contained in the Limited Offering Memorandum under the headings "THE LANDOWNER" and "THE MASTER DEVELOPER" and, as it pertains only to the Master Developer and/or the Landowner and its respective interest in the Development, under the headings "INTRODUCTION," "THE CAPITAL IMPROVEMENT PROGRAM," "THE DEVELOPMENT" and "LITIGATION - Master Developer/Landowner" contains no untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading as of the date of the Limited Offering Memorandum and as of the date hereof (subject to any applicable qualifications and exceptions set forth therein). We have no reason to believe that the information in the subsections "Participating Homebuilders/Developers" and "Competition" under the caption "THE DEVELOPMENT" contains an untrue statement of a material fact or omits to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading as of the date of the Limited Offering Memorandum and as of the date hereof.

3. As of the date hereof, there has been no action taken by or omitted by the Master Developer and/or the Landowner that impairs the contemplated transactions by the District with respect to the Series 2019 Bonds, including: (a) the issuance and sale of the Series 2019 Bonds upon the terms set forth in the Purchase Agreement; (b) the approval of the Limited Offering Memorandum and the signing of the Limited Offering Memorandum by a duly authorized officer of the District; (c) the acquisition and construction of the Series 2019 Project (as described in the Limited Offering Memorandum subject to any applicable qualifications and exceptions set forth therein); and (d) the execution, delivery and receipt of the Purchase Agreement, the Series 2019 Bonds, the Indenture, the Financing Documents and any and all such other agreements or documents as may be required to be executed, delivered and received by the District, of which the Master Developer and/or the Landowner has been made aware by the District as of the date hereof, in order to carry out, give effect to, and consummate the transactions contemplated by the Limited Offering

Memorandum and the Indenture. The Master Developer and the Landowner each acknowledge and consent to those provisions of the Purchase Agreement which reference it.

4. The consummation of the transactions described in the Limited Offering Memorandum does not on the date hereof and will not at the time of such consummation, to the best knowledge of the Master Developer and/or the Landowner as of the date hereof, conflict with or constitute on the part of the Master Developer and/or the Landowner a breach or violation of the terms and provisions of, or constitute a default under any existing agreement or indenture, mortgage, lease, deed of trust, note or other instrument, to which the Master Developer and/or the Landowner is subject or by which it or its respective properties are or may be bound. The consummation of the transactions described in the Limited Offering Memorandum does not, on the date hereof, and will not at the time of such consummation, to the best of the Master Developer's and/or the Landowner's knowledge as of the date hereof, conflict with or constitute on the part of the Master Developer and/or the Landowner a breach or violation of the terms and provisions of, or constitute a default under any existing constitution, laws, court or administrative rule or regulations, to which it is subject, or any decree, order or judgment to which it is a party or by which it is bound in force and effect on the date hereof, which would have a material adverse effect on the Series 2019 Bonds or the Development.

5. As of the date hereof, neither Master Developer nor the Landowner is in default under any resolution, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which the Master Developer and/or the Landowner is subject, or by which it or its respective properties are or may be bound, which would have a material adverse effect on the Series 2019 Bonds or the Development.

6. As of the date hereof, there is no action, suit or proceeding at law or in equity by or before any court or public board or body pending or, to the best of the Master Developer's and/or the Landowner's knowledge, threatened against the Master Developer and/or the Landowner: (a) seeking to restrain or enjoin the issuance or delivery of the Series 2019 Bonds or the application of the proceeds thereof, or the levy or collection of the Series 2019 Special Assessments; (b) contesting or affecting the authority for the issuance of the Series 2019 Bonds or the validity or enforceability of the Series 2019 Bonds, the Indenture, the Financing Documents or the transactions contemplated thereunder; or (c) contesting or affecting the establishment or existence, of the Master Developer and/or the Landowner or any of its respective officers or employees, its assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Master Developer and/or the Landowner, including its power to develop the Development.

7. Other than as disclosed in the Limited Offering Memorandum, that portion of the District property securing Series 2019 Special Assessments for the Series 2019 Bonds is free and clear of any commercial mortgage encumbrance (i.e., non-single-family home mortgages obtained by homeowners).

8. The Master Developer and/or the Landowner is complying in all material respects with all provisions of applicable law in all material matters relating to the Development and the District and its undertaking as described in the Limited Offering Memorandum (subject to any applicable qualifications and exceptions set forth therein) and the Indenture, including applying for all necessary permits as described in the Engineer's

Report. The Master Developer and/or the Landowner each hereby certify that: (a) it has the appropriate land use and zoning approvals required by the City or the County to permit the development of the Development and the construction of the improvements as described in the Limited Offering Memorandum under the heading of "THE DEVELOPMENT" (subject to any applicable qualifications and exceptions set forth therein); (b) neither the Master Developer nor the Landowner is in default of the e-Town PUD, the City zoning requirements or any permit or development agreement which would adversely affect the District's ability to complete development of the Series 2019 Project (as described in the Limited Offering Memorandum, subject to any applicable qualifications and exceptions set forth therein) or the Master Developer's and/or the Landowner's ability to complete the Development as described in the Limited Offering Memorandum and all appendices thereto (subject to any applicable qualifications and exceptions set forth therein); and (c) assuming compliance by the Master Developer and/or the Landowner with the material conditions of the e-Town PUD and the City zoning requirements, all of which conditions are within the control of the Master Developer and/or the Landowner, and upon issuance of applicable future permits, the Development and the District will be able to be developed as described in the Limited Offering Memorandum (subject to any applicable qualifications and exceptions set forth therein).

9. Notwithstanding anything to the contrary hereunder, the Master Developer and/or the Landowner cannot and does not purport to make any certifications hereunder as to future circumstances and actions the potential realization of which may be subject to change due to events and other happenings beyond the control of Master Developer and/or the Landowner.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned have hereunto set our hands for and on behalf of the Master Developer and Landowner as of this [____] day of February, 2019.

E-TOWN DEVELOPMENT, INC.,

a Florida corporation,

as Master Developer

By: _____

Name: _____

Title: _____

EASTLAND TIMBER, LLC,

a Florida limited liability company,

as Landowner

By: _____

Name: _____

Title: _____

EXHIBIT H

FORM OF MASTER DEVELOPER'S AND LANDOWNER'S COUNSEL OPINION

[TO BE PROVIDED]

EXHIBIT I

FORM OF ISSUE PRICE CERTIFICATE

CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT \$[Bond Amount] Special Assessment Bonds, Series 2019

The undersigned, on behalf of **MBS CAPITAL MARKETS, LLC** ("MBS"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds"). Capitalized terms shall have the meaning ascribed in Section 2 hereof.

MBS and the District entered into a Bond Purchase Agreement on the Sale Date in connection with the sale of the Bonds (the "Purchase Agreement"). Pursuant to the terms of the Purchase Agreement, MBS made a bona fide limited offering of the Series 2019 Bonds to a portion of the Public representing accredited investors as required by Florida law at the prices or yields for each such maturity as shown on the cover page of the Limited Offering Memorandum, dated January [___], 2019, relating to the Bonds.

1. Sale of the Bonds. As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. Defined Terms.

(a) *District* means Cypress Bluff Community Development District.

(b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is January [___], 2019.

(e) *Underwriter* means (i) any person that agrees pursuant to a written contract with the District to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

4. Reserve Account. A reserve account in an amount equal to the Series 2019 Debt Service Reserve Requirement was necessary in order to market and sell the Bonds given the nature of the Bonds which are secured by special assessments and the delinquent assessment collection procedures related thereto.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents MBS' interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the District with respect to certain of the representations set forth in the Tax Certificate executed by the District in connection with the issuance, sale and delivery of the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the District from time to time relating to the Bonds.

MBS CAPITAL MARKETS, LLC

By: _____
Brett Sealy, Managing Partner

Dated: February [__], 2019

SCHEDULE A
SALE PRICES
(Attached)

4.

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (the "**Disclosure Agreement**") dated February [], 2019, is executed and delivered by the **CYPRESS BLUFF COMMUNITY DEVELOPMENT DISTRICT** (the "**Issuer**"), **EASTLAND TIMBER, LLC**, a Florida limited liability company, its successors and assigns (the "**Landowner**"), and **GOVERNMENTAL MANAGEMENT SERVICES, LLC**, as initial dissemination agent (the "**Dissemination Agent**") in connection with the issuance by the Issuer of its \$_____ Cypress Bluff Community Development District Special Assessment Revenue Bonds, Series 2019 (the "**Bonds**"). The Bonds are being issued pursuant to a Master Trust Indenture dated as of January 1, 2019 (the "**Master Indenture**") from the Issuer to The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**"), as amended and supplemented from time to time, and as particularly supplemented by a First Supplemental Trust Indenture from the Issuer to the Trustee dated as of January 1, 2019 (the "**First Supplemental Indenture**," and, collectively with the Master Indenture, the "**Indenture**"). The Issuer, the Landowner and the Dissemination Agent covenant and agree as follows:

1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer, the Landowner, and the Dissemination Agent for the benefit of the Beneficial Owners of the Bonds and to assist the Participating Underwriter in complying with the continuing disclosure requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (the "**SEC**") pursuant to the Securities Exchange Act of 1934, as amended from time to time (the "**Rule**").

The provisions of this Disclosure Agreement are supplemental and in addition to the provisions of the Indenture with respect to reports, filings and notifications provided for therein, and do not in any way relieve the Issuer, the Trustee or any other person of any covenant, agreement or obligation under the Indenture (or remove any of the benefits thereof) nor shall anything herein prohibit the Issuer, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined herein, the following capitalized terms shall have the following meanings:

"**Annual Report**" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"**Assessments**" shall mean the non-ad valorem special assessments pledged to the payment of the Bonds pursuant to the Indenture.

"**Beneficial Owner**" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" means any day other than a Saturday, Sunday or a day on which the Trustee is required, or authorized or not prohibited by law (including executive orders), to close and is closed, or on any day on which the New York Stock Exchange is closed.

"Developer" shall mean E-Town Development, Inc., a Florida corporation.

"Development" shall have the meaning ascribed thereto in the Limited Offering Memorandum.

"Dissemination Agent" shall mean, initially, Governmental Management Services, LLC, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer which has filed with the Issuer and Trustee a written acceptance of such designation.

"District Manager" shall mean Governmental Management Services, LLC, or a successor District Manager.

"Event of Bankruptcy" shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

"Fiscal Year" shall mean the period commencing on October 1 and ending on September 30 of the next succeeding year, or such other period of time provided by applicable law.

"Issuer Disclosure Representative" shall mean the District Manager of the Issuer or his/her/its designee, or such other officer or employee as the Issuer shall designate in writing to the Trustee and the Dissemination Agent from time to time.

"Landowner" shall mean Eastland Timber, LLC, a Florida limited liability company.

"Landowner Report" shall mean any Landowner Report provided by the Landowner, its successors or assigns, pursuant to, and as described in, Sections 5 and 6 of this Disclosure Agreement.

"Limited Offering Memorandum" shall mean the final offering document relating to the Bonds.

"Listed Events" shall mean any of the events listed in Section 7(a) of this Disclosure Agreement.

"Obligated Person" shall mean any person, including the Issuer and the Landowner who is either generally or through an enterprise fund or account of such person committed by contract or other arrangement to support payment of all or part (twenty percent (20%) or more) of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

"Participating Underwriter" shall mean the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean each entity authorized and approved by the SEC from time to time to act as a repository for purposes of complying with the Rule. The Repositories currently approved by the SEC may be found by visiting the SEC's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the SEC for such purpose is the Municipal Securities Rulemaking Board, which currently accepts continuing disclosure submissions through its Electronic Municipal Market Access ("**EMMA**") web portal at "<http://emma.msrb.org>."

"State" shall mean the State of Florida.

3. Provision of Annual Report.

(a) The Issuer shall, or shall cause the Dissemination Agent to, within 180 days of the end of the Issuer's Fiscal Year, beginning with the fiscal year ending September 30, 2019 (the "**Annual Filing Date**") with respect to the report for the 2019 Fiscal Year, provide to any Repository in electronic format as prescribed by such Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above, but in no event later than the date required to be filed with the State of Florida pursuant to applicable State law (currently within nine (9) months of the end of the Issuer's Fiscal Year), for the filing of the Annual Report if they are not available by that date. If the Issuer's Fiscal Year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 7(a).

(b) If on the fifteenth (15th) day prior to each Annual Filing Date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 3(a) above. Upon such reminder, the Issuer Disclosure Representative, shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report in accordance with Section 3(a) above, or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Dissemination Agent that a Listed Event as described in Section 7(a)(15) has occurred and to immediately send a notice to any Repository in electronic format as required by such Repository in substantially the form attached as Exhibit A hereto.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name, address and filing requirements of any Repository; and

(ii) promptly upon fulfilling its obligations under subsections (a) and (b) above, file a notice with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing any Repository to which it was provided.

4. Content of Issuer's Annual Report.

(a) The Issuer's Annual Report shall contain or incorporate by reference the following, which includes an update of the financial and operating data of the Issuer to the extent presented in the Limited Offering Memorandum. All information in the Annual Report shall be presented for the immediately preceding Fiscal Year and, to the extent available, the current Fiscal Year:

(i) The amount of Assessments levied.

(ii) The amount of Assessments collected from property owners.

(iii) If available, the amount of delinquencies greater than 150 days, and, in the event that delinquencies amount to more than ten percent (10%) of the amounts of Assessments due in any year, a list of delinquent property owners.

(iv) The amount of tax certificates sold, if any, and the balance, if any, remaining for sale.

(v) All fund balances in all Funds and Accounts for the Bonds. Upon request, the Issuer shall provide any Beneficial Owners and the Dissemination Agent with this information more frequently than annually and, in such case, shall provide such information within thirty (30) days of the written request of the Beneficial Owners.

(vi) The total amount of Bonds Outstanding.

(vii) The amount of principal and interest due on the Bonds.

(viii) The most recent audited financial statements of the Issuer which shall be prepared in accordance with governmental accounting standards promulgated by the Government Accounting Standards Board.

(ix) Any amendment or waiver of the provisions hereof as described in Section 11 hereof.

(b) To the extent any of the items set forth in subsections (i) through (vii) above are included in the audited financial statements referred to in subsection (viii) above, they do not have to be separately set forth.

(c) The Issuer represents and warrants that it will supply, in a timely fashion, any information available to the Issuer and reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The Issuer acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the Issuer and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the Issuer or others as thereafter disseminated by the Dissemination Agent.

The information provided under this Section 4 may be included by specific reference to documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on EMMA (or any successor Repository's website) or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

The Issuer reserves the right to modify from time to time the specific types of information provided in its Annual Report or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

5. Provision of Landowner Report.

(a) The Landowner shall provide a Landowner Report, which contains the information in Section 6(b) of this Disclosure Agreement to the Dissemination Agent no later than the Quarterly Receipt Date (as defined below in Section 6(a)) for such Landowner Report. Within thirty (30) days following the Quarterly Receipt Date, the Dissemination Agent shall file the Landowner Report provided to it by the Landowner with each Repository (the "**Quarterly Filing Date**").

(b) If on the seventh (7th) day prior to each Quarterly Receipt Date the Dissemination Agent has not received a copy of the Landowner Report due on such Quarterly Receipt Date, the Dissemination Agent shall contact the Landowner by telephone and in writing (which may be by e-mail) to remind the Landowner of its undertaking to provide the Landowner Report pursuant to this Section 5. Upon such reminder, the Landowner shall either (i) provide the Dissemination Agent with an electronic copy of the Landowner Report in accordance with Section 5(a) above, or (ii) instruct the Dissemination Agent in writing that the Landowner will not be able to file the Landowner Report within the time required under this Disclosure Agreement and state the date by which such Landowner Report will be provided.

(c) If the Dissemination Agent has not received a Landowner Report that contains, at a minimum, the information in Section 6(b) of this Disclosure Agreement by 12:00 noon on the first Business Day following each Quarterly Receipt Date, a Listed Event described in Section 7(a)(15) shall have occurred, and the Issuer and the Landowner hereby direct the Dissemination Agent to send a notice to each Repository in substantially the form attached as Exhibit A hereto, with a copy to the Issuer. The Dissemination Agent shall file such notice no later than thirty (30) days following the applicable Quarterly Receipt Date.

(d) The Dissemination Agent shall:

(i) determine prior to each Quarterly Filing Date the name and address of each Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Landowner and the Issuer stating that the Landowner Report has been provided pursuant to this Disclosure Agreement and stating the date(s) it was provided and listing any Repository to which it was provided.

6. Content of Landowner Report.

(a) The Landowner, so long as it is an Obligated Person for purposes of this Disclosure Agreement, shall prepare a Landowner Report no later than thirty (30) days after the end of each calendar quarter commencing [March 31, 2019] (each, a "**Quarterly Receipt Date**"). At such time as the Landowner is no longer an Obligated Person, the Landowner will no longer be obligated to prepare any quarterly Landowner Report pursuant to this Disclosure Agreement.

(b) The Landowner Report shall contain the following information:

(i) A description of the infrastructure improvements and recreational amenities needed for the Development that have been completed and that are currently under construction, including the improvements financed by the Bonds.

(ii) The percentage of the improvements financed by the Bonds that has been completed.

(iii) The number of assessable residential units planned on property subject to the Special Assessments.

(iv) The number of residential units closed with retail end users.

(v) The number of residential units under contract with retail end users.

(vi) The number of residential units under contract with builders, together with the name of each builder.

(vii) The number of residential units closed with builders, together with the name of each builder.

(viii) The estimated date of complete build-out of residential units.

(ix) Whether the Landowner has made any sale of the land subject to the Assessments other than as contemplated by the Limited Offering Memorandum.

(x) Materially adverse changes or determinations to permits or approvals for the Development which necessitate changes to the land-use or other plans for the Development.

(xi) Updated plan of finance (i.e., status of any credit enhancement, issuance of additional bonds to complete a project, draw on credit line of the Developer, the Landowner or an affiliate, additional mortgage debt, etc.).

(xii) Any event that would have a material adverse impact on the implementation of the Development as described in the Limited Offering Memorandum or on the Developer's ability to undertake the Development as described in the Limited Offering Memorandum.

(xiii) Any amendment or waiver of the provisions hereof as described in Section 11 hereof.

(c) Any of the items listed in subsection (b) above may be incorporated by reference to other documents which have been submitted to each Repository or the SEC. The Landowner shall clearly identify each such other document so incorporated by reference.

(d) If the Landowner sells, assigns or otherwise transfers ownership of real property in the Development to a third party, which will in turn be an Obligated Person for purposes of this Disclosure Agreement as a result thereof (a "**Transfer**"), the Landowner hereby agrees to require such third party to comply with the disclosure obligations of the Landowner hereunder for so long as such third party is an Obligated Person hereunder, to the same extent as if such third party were a party to this Disclosure Agreement. The Landowner involved in such Transfer shall promptly notify the Issuer and the Dissemination Agent in writing of the Transfer. For purposes of Sections 5, 6 and 7 hereof, the term "Landowner" shall be deemed to include the Landowner and any third party that becomes an Obligated Person hereunder as a result of a Transfer. In the event that the Landowner remains an Obligated Person hereunder following any Transfer, nothing herein shall be construed to relieve the Landowner from its obligations hereunder.

7. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 7, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds and the Landowner shall give, or cause to be given, notice of the occurrence of numbers 12, 13 and 15 of the following events, to the Dissemination Agent in writing in sufficient time in order to allow the Dissemination Agent to file notice of the occurrence of such Listed Event in a timely manner not in excess of ten (10) Business Days after the occurrence of the event, with the exception of the event described in number 15 below, which notice shall be given in a timely manner:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;

3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. modifications to rights of the holders of the Bonds, if material;
8. bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Bonds, if material;
11. ratings changes;
12. an Event of Bankruptcy or similar event of an Obligated Person;
13. the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. notice of any failure on the part of the Issuer to meet the requirements of Section 3 hereof or of the Landowner to meet the requirements of Section 5 hereof;
16. the termination of the Issuer's or the Landowner's obligations under this Disclosure Agreement prior to the final maturity of the Bonds, pursuant to Section 9 hereof; and
17. any amendment to the accounting principles to be followed by the Issuer in preparing its financial statements, as required by Section 11 hereof

(b) The notice required to be given in paragraph 7(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

8. Identifying Information. In accordance with the Rule, all disclosure filings submitted pursuant to this Disclosure Agreement to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but shall not be limited to:

- (a) the category of information being provided;
- (b) the period covered by any annual financial information, financial statement or other financial information or operation data;
- (c) the issues or specific securities to which such documents are related (including CUSIPs, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
- (d) the name of any Obligated Person other than the Issuer;
- (e) the name and date of the document being submitted; and
- (f) contact information for the submitter.

9. Termination of Disclosure Agreement. The Issuer's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, so long as there is no remaining liability of the Issuer, or if the Rule is repealed or no longer in effect. The Landowner's obligations under this Disclosure Agreement shall terminate at such time as the Landowner is no longer an Obligated Person. If any such termination occurs prior to the final maturity of the Bonds, the Issuer and/or the Landowner shall give notice of such termination in the same manner as for a Listed Event under Section 7.

10. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent shall be Governmental Management Services, LLC. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement.

11. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer, the Landowner and the Dissemination Agent (if the Dissemination Agent is not the Issuer) may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

- (a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5, 6 or 7(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer and/or the Landowner, or the type of business conducted;

(b) The Disclosure Agreement, as amended or taking into account such waiver, would, in the opinion of counsel expert in federal securities laws, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the holders or Beneficial Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of holders or Beneficial Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or Beneficial Owners of the Bonds.

Notwithstanding the foregoing, the Issuer, the Landowner and the Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the SEC from time to time.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer and the Landowner shall describe such amendment in its next Annual Report or Landowner Report, as applicable, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer or the Landowner, as applicable. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 7(a), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

12. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer or the Landowner from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer or the Landowner chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer or the Landowner shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

13. Default. In the event of a failure of the Issuer, the Landowner, the Issuer Disclosure Representative or a Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Beneficial Owners of more than 50% aggregate principal amount of outstanding Bonds and receipt of indemnity satisfactory to the Trustee, shall), or any Beneficial Owner of a Bond may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer, the

Landowner, the Issuer Disclosure Representative or a Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. No default hereunder shall be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer, the Landowner, the Issuer Disclosure Representative or a Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

14. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement.

15. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Landowner, the Dissemination Agent, the Participating Underwriter, the Trustee and Beneficial Owners of the Bonds, and shall create no rights in any other person or entity.

16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

17. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida and federal law.

18. Trustee Cooperation. The Issuer represents that the Dissemination Agent is a bona fide agent of the Issuer and directs the Trustee to deliver to the Dissemination Agent at the expense of the Issuer any information or reports available to the Trustee it requests that the Issuer has a right to request from the Trustee (inclusive of balances, payments, etc.).

[End of document – signatures to follow]

**SIGNATURE PAGE TO
CONTINUING DISCLOSURE AGREEMENT
(Cypress Bluff Community Development District)**

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

[SEAL]

**CYPRESS BLUFF COMMUNITY
DEVELOPMENT DISTRICT**, as Issuer

ATTEST:

By: _____
Secretary/Assistant Secretary

By: _____
Chairman, Board of Supervisors

CONSENTED TO AND AGREED TO BY:

**GOVERNMENTAL MANAGEMENT
SERVICES, LLC**, and its successors and
assigns, as Issuer Disclosure Representative

JOINED BY:

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A. AS TRUSTEE,**
FOR PURPOSES OF SECTIONS 13, 15 AND
18 ONLY

By: _____
Name: _____
Title: _____

By: _____
Thomas J. Radicioni, Vice President

**GOVERNMENTAL MANAGEMENT
SERVICES, LLC,**
as Dissemination Agent

EASTLAND TIMBER, LLC,
a Florida limited liability company,
as Landowner

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

**EXHIBIT A TO
CONTINUING DISCLOSURE AGREEMENT
(Cypress Bluff Community Development District)**

**NOTICE TO REPOSITORIES
OF FAILURE TO FILE ANNUAL FINANCIAL AND OPERATING DATA**

Name of Issuer: Cypress Bluff Community Development District

Obligated Persons: Cypress Bluff Community Development District
Eastland Timber, LLC

Name of Bond Issue: \$[_____] Cypress Bluff Community Development District
Special Assessment Revenue Bonds, Series 2019

Date of Issuance: February [____], 2019

CUSIPS:

NOTICE IS HEREBY GIVEN that the [Issuer] [Landowner] has not provided an [Annual Report] [Landowner Report] [Audited Financial Statements] [Unaudited Financial Statements] with respect to the above-named Bonds as required by [Section 3] [Section 5] of the Continuing Disclosure Agreement dated February [____], 2019, among the Issuer, the Landowner and the Dissemination Agent named therein. The [Issuer] [Landowner] has advised the undersigned that it anticipates that the [Annual Report] [Landowner Report] will be filed by _____, 20____.

Dated: _____, _____, Dissemination Agent

cc: [Issuer] [Landowner]